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TO KEEP THE LIGHTS ON... TODAY AND IN THE FUTURE

September 11, 2014

VIA ELECTRONIC FILING

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: ***Southwest Power Pool, Inc., Docket No. ER14-____-000***
Revisions to Tariff, Bylaws, and Membership Agreement (Part 1 of 2)

Integration of the IS Parties into the Southwest Power Pool

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act, 16 U.S.C. 824d (“FPA”), and Section 35.13 of the Federal Energy Regulatory Commission’s (“Commission”) Regulations, 18 C.F.R. § 35.13, Southwest Power Pool, Inc. (“SPP”), as authorized by its Board of Directors, submits revisions to its Open Access Transmission Tariff (“Tariff”)¹, Bylaws,² and Membership Agreement³ (collectively, the “Governing Documents”). SPP proposes the revisions to these governing documents in order to facilitate the decision of the Western Area Power Administration - Upper Great Plains Region (“Western-UGP”), a Federal power marketing agency (“PMA”)⁴, Basin Electric Power Cooperative (“Basin Electric”), and Heartland Consumers Power District (“Heartland”), which together jointly own and operate a significant portion of the bulk electric transmission system in the Upper Great Plains region of the United States of America (the “IS”) (collectively, the “IS Parties,” and individually an “IS Party”) to join SPP as Transmission Owning Members, to place their respective transmission facilities under the functional control of SPP, and to begin taking transmission service under the Tariff.

¹ Southwest Power Pool, Inc., FERC Electric Tariff, Sixth Revised Volume No. 1 (“Tariff”).

² Southwest Power Pool, Inc., Bylaws, First Revised Volume No. 4.

³ Southwest Power Pool, Inc., Membership Agreement, First Revised Volume No. 3.

⁴ The reference to a “PMA” in this document also includes a Federal power marketing administration.

The Honorable Kimberly D. Bose

September 11, 2014

Page 2

SPP requests the following effective dates for the proposed revisions: (1) October 1, 2015 for the proposed Tariff revisions; and (2) November 10, 2014 for the proposed revisions to the Bylaws and Membership Agreement. SPP respectfully requests waiver of the Commission's timing requirements to allow these tariff revisions to be effective on the dates prescribed, and for the reasons stated herein.

I. EXECUTIVE SUMMARY

Since the Commission's approval of SPP as a Regional Transmission Organization ("RTO"),⁵ SPP's transmission footprint has expanded from 17 original Transmission Owners under the Tariff to the current 32 Transmission Owners that have joined SPP and placed its transmission facilities under SPP's functional control. SPP's Transmission Owner Members represent a diverse group of Commission jurisdictional Public Utilities, and non-jurisdictional public power entities, cooperatives and municipalities. SPP offers a variety of services to its Members and customers, including the provision of transmission service through the Commission-approved Tariff, regional and interregional transmission planning, Reliability Coordination, regional reliability oversight and support, and most recently, the implementation of the day-ahead and real-time energy markets. These services, and SPP's robust stakeholder process, have provided open access to the transmission systems of SPP Members that is both transparent and driven by good utility practice. This filing to integrate Western-UGP, Basin Electric and Heartland into the RTO represents a substantial expansion of the SPP footprint that will provide significant benefits to SPP members and customers. Integration of these entities into SPP will provide the IS Parties' customers access to organized markets and will create increased efficiency and reliability for the newly combined portion of the bulk electric system.

The integration of the IS Parties into SPP is supported by the Commission's longstanding policy to support public power participation in RTOs. The integration of Western-UGP into SPP furthers the congressional preferences expressed in Section 1232 of the Energy Policy Act of 2005 which provides the basic roadmap to allow Federal entities to place transmission facilities under a Commission-jurisdictional open access tariff. As the integration of the IS Parties into SPP provides benefits to all parties involved, and is supported by Commission policy and congressional intent, SPP respectfully requests the Commission approve this filing as just and reasonable and in the public interest.

As demonstrated below, SPP is proposing changes to its Governing Documents (i.e., Tariff, Membership Agreement and Bylaws) that are necessary to

⁵ *Sw. Power Pool, Inc.*, 109 FERC ¶ 61,009 (2004), *order on reh'g*, 110 FERC ¶ 61,137 (2005).

The Honorable Kimberly D. Bose

September 11, 2014

Page 3

allow these entities to sign the Membership Agreement, place their respective transmission facilities under that Tariff, and begin taking member services from SPP. The proposal to integrate Western-UGP involves the creation of the Federal Service Exemption for Western-UGP's transmission of Federal power to serve Western-UGP's statutory preference customers. The exemption is limited in scope to Western-UGP's service to its statutory load obligations. The proposed Federal Service Exemption would exempt Western-UGP's Statutory Load Obligations from charges assessed by SPP to recover the region wide annual transmission revenue requirements. Put simply, Western-UGP's Statutory Load Obligations will not be included in Western-UGP's resident load when calculating region-wide charges under Schedule 11 of the Tariff and Western-UGP will not pay marginal loss or congestion charges under Attachment AE of the Tariff for market transactions related to its Statutory Load Obligations.

The Federal Service Exemption is narrowly constructed to be consistent with Western-UGP's underlying statutory requirements and authorities. In addition, the Federal Service Exemption is similar to other types of exemptions previously approved by the Commission. As related to the Western-UGP, the Federal Service Exemption is just and reasonable because it maintains the service that Western-UGP's preference customers currently have. Finally, the Federal Service exemption is necessary to allow Western-UGP to participate in SPP and remain compliant with Federal law.

In this filing, SPP also proposes to establish what is known as the "Co-Supply Arrangement" for certain service provided by the other IS Parties (Basin Electric and Heartland) that provide resources to partially serve Western-UGP's preference customers. Under the IS Parties' current arrangement, Western-UGP supplies power to its preference customers using a fixed allocation of Federal resources, and the co-supplier provides the remainder of the customer's power requirements via its network service agreement. The Co-Supply Arrangement allows Basin Electric and Heartland to continue serving this load utilizing network service, which would otherwise be prohibited by the Tariff. Basin Electric has stated as a condition of membership it must be able to continue using network service to deliver power to its customers.

SPP intends to integrate the IS Parties effective October 1, 2015. SPP is submitting this filing now to ensure adequate time for Commission approval as well as sufficient time for SPP to pursue the steps necessary to integrate the IS Parties prior to the integration date. As demonstrated below and in the accompanying Tariff language, direct testimony, and exhibits, Commission approval of SPP's proposal is just and reasonable and serves the public interest by facilitating the participation of the IS Parties in SPP, which will provide multiple benefits to the SPP members and transmission customers across the regions. Accordingly, SPP requests that the Commission issue an order on this filing by November 10, 2014, with the goal of

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 4

obtaining final approval to allow integration of the IS Parties, following any necessary compliance filings.

II. BACKGROUND

A. Parties

1. *SPP*

SPP is an Arkansas non-profit corporation with its principal place of business in Little Rock, Arkansas. SPP has 78 Members, including 15 investor-owned utilities, 11 municipal systems, 13 generation and transmission cooperatives, 6 state agencies, 11 independent power producers, 12 power marketers and 10 independent transmission companies. As an RTO, SPP administers the provision of open access transmission service on a regional basis across the facilities of the SPP Transmission Owners.⁶ SPP's region encompasses approximately 48,930 miles of transmission lines covering portions of Arkansas, Kansas, Louisiana, Missouri, Nebraska, New Mexico, Oklahoma, and Texas, across the facilities of SPP's Transmission Owners, and administers a centralized day ahead and real-time energy and operating reserve markets with locational marginal pricing and market-based congestion management ("Integrated Marketplace").

2. *IS Parties*

a. Western-UGP

Western Area Power Administration ("Western") is a Federal PMA that markets Federal power and owns and operates transmission facilities throughout 15 western and central states, encompassing a geographic area of 1.3 million square miles. Western was established pursuant to section 302 of the DOE Organization Act.⁷ Western's primary mission is to market Federal power and transmission resources constructed with congressional authorization. The Federal generation marketed by Western resulted from the construction of power plants by the Federal generating agencies, principally the Department of the Interior's Bureau of Reclamation and the U.S. Army Corps of Engineers. The power and transmission requirements of project use loads, which are designated by Congress and carry out

⁶ See *Sw. Power Pool, Inc.*, 89 FERC ¶ 61,084 (1999); *Sw. Power Pool, Inc.*, 86 FERC ¶ 61,090 (1999); *Sw. Power Pool, Inc.*, 82 FERC ¶ 61,267, order on reh'g, 85 FERC ¶ 61,031 (1998).

⁷ 42 U.S.C. § 7152(a).

The Honorable Kimberly D. Bose
September 11, 2014
Page 5

purposes such as pumping of irrigation water, by law, must be met first for the life of those projects. Power in excess of these requirements is available for marketing by Western to its preference customers.

Western's statutory obligation to market Federal hydropower from a particular Federal project extends for the life of that project. Western has entered into long-term firm electric service contracts for widespread distribution of Federal hydro generation to project use and preference customers comprised of non-profit public entities such as electric cooperatives, Native American tribes, municipal utilities, and Federal and state government entities.

Western has four Regional offices located in Phoenix, Arizona (Desert Southwest Region), Loveland, Colorado (Rocky Mountain Region), Folsom, California (Sierra Nevada Region), and Billings, Montana (Upper Great Plains Region, or Western-UGP), as well as the Colorado River Storage Project Management Center located in Salt Lake City, Utah (collectively, "Regions"), and a Corporate Services Office located in Lakewood, Colorado. Western-UGP markets Federally generated hydroelectric power within the Pick-Sloan Missouri Basin Program-Eastern Division ("PSMB-ED") from power plants located in Montana, North Dakota, and South Dakota. It is Western-UGP that is seeking membership in SPP.

Western-UGP also owns and operates an extensive system of high-voltage transmission facilities in the PSMB-ED and performs the functions of a Balancing Authority. Western-UGP manages two Balancing Authorities; "WAUW" located within the Western Electricity Coordinating Council ("WECC") and "WAUE" located within the Midwest Reliability Organization ("MRO"). Western operates and administers these facilities from the Watertown Operations Office ("WOO") located in Watertown, South Dakota. Western-UGP's marketing area and transmission facilities are located in Montana east of the Continental Divide, North and South Dakota, eastern Nebraska, western Iowa, and western Minnesota. Western-UGP transmission facilities are included within the IS, which is described in more detail below.

b. Basin Electric

Basin Electric is one of the largest generation and transmission cooperatives in the United States, in terms of the geographical area it serves. It is a not-for-profit cooperative corporation incorporated in the State of North Dakota in 1961. It has a diverse portfolio of generation resources (coal, gas, nuclear and renewable) and sells electric power at wholesale to its 137 member systems located throughout 9 states. The Basin Electric membership serves 2.8 million customers in territories covering approximately 540,000 square miles. By the end of 2014, Basin Electric will operate approximately 4,900 MW of electric generating capacity and have approximately

The Honorable Kimberly D. Bose

September 11, 2014

Page 6

5,500 MW of capacity within its generation portfolio. Basin Electric transmission facilities include nearly 2,100 miles of transmission lines, 70 switch yards and 149 telecommunications sites. Basin Electric was organized by its members to be an “all supplemental requirements” power supplier to provide power and energy to its members in excess of preference power provided to them per Western’s allocations. Basin Electric is an eligible borrower of the Rural Utilities Service, and as a result is not a “public utility” under section 201(e) of the Federal Power Act.⁸

c. Heartland

Heartland is a public corporation and political subdivision of the State of South Dakota established under South Dakota’s Consumers Power District Law in 1969. As a political subdivision of a state, Heartland is not subject to the Commission’s jurisdiction over public utilities under the Federal Power Act. Heartland provides reliable low-cost wholesale power to 28 municipalities in eastern South Dakota, southwest Minnesota and northwest Iowa, to six South Dakota state agencies, and to one electric cooperative in South Dakota. Heartland’s 2014 peak customer demand is projected to be 140 MW with annual energy consumption of approximately 900,000 megawatt-hours. Heartland’s power supply customers are located within the Western-UGP and the Midcontinent Independent System Operator, Inc. (“MISO”) balancing areas. All of Heartland’s power supply customers located within the Western-UGP balancing area and one customer located in the MISO balancing area are co-supplied by Western-UGP, with Heartland providing the supplemental capacity and energy above such customers’ Western-UGP hydropower allocations. Heartland has electric generating resources located within the SPP and Western-UGP balancing areas. The generating resource within the SPP balancing area consists of Heartland’s 80 MW share of the coal-fired Whelan Energy Center Unit 2. The generating resources within the Western-UGP balancing area include Heartland’s 51 MW share of the coal-fired Laramie River Station and the 51 MW Wessington Springs Wind Energy Center. Heartland jointly owns several high-voltage electric transmission facilities, which are all included in the IS.

B. Integrated System

The IS is generally described as the backbone of the bulk electric transmission system in the Upper Great Plains region of the United States. The IS includes approximately 9,500 miles of transmission lines rated 115 kV through 345 kV and stretches across a seven-state region. The system is bounded on the north by the Canadian border and reaches into Nebraska on the south. From west to east, the IS spans from eastern Montana and Wyoming into western Minnesota and Iowa. The IS is unique in that it spans the Eastern and Western Interconnections of the U.S. electric

⁸ 16 U.S.C. § 824(e).

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 7

grid. The IS includes the combined transmission facilities of the IS Parties (Western-UGP, Basin Electric, and Heartland). It also includes, through facility credits, facilities owned by Northwestern Energy in South Dakota and Missouri River Energy Services. The IS is a jointly-developed system that originally evolved from the need to deliver Federal hydropower from the PSMB-ED to preference power customers in the region. The system has been planned, expanded and operated to serve the transmission customers in the region on an integrated single-system basis under a common open access transmission tariff (“Western OATT”). The transmission facilities of the IS have been operated by WOO on behalf of the IS Parties. The Western OATT was originally accepted for filing by the Commission in Docket No. NJ98-1-000, and continues in effect today.

The collaborative development of the IS has resulted in transmission facilities that are highly integrated, and in some instances jointly owned, among the IS Parties and with other transmission owners in the region. Given the difficulties inherent in operating the SPP Integrated Marketplace across the East-West Interconnection, the IS Parties are placing only their Eastern Interconnection facilities within the Integrated Marketplace. However, both the Eastern and Western Interconnection facilities in the IS will be transferred to the functional control of SPP. Western-UGP and SPP intend to enter into a separate contractual arrangement to address the unique requirements of the Western Interconnection facilities.

C. SPP’s History with Federal Power Marketing Agencies

SPP has enjoyed a notable and fruitful relationship with Federal PMAs dating back to 1998 when the Southwestern Power Administration (“Southwestern”) became one of the original transmission-owning members of SPP.⁹ Southwestern continued full and active participation in SPP through October of 2004 but terminated its membership when SPP was certified as, and assumed the functions of, the RTO. Notwithstanding Southwestern’s termination of formal membership, SPP continued to provide Tariff-related services to Southwestern on a contractual basis that has been re-executed multiple times and continues in effect to this day.¹⁰

SPP also has entered into contractual relationships with Western-UGP. SPP and Western-UGP have entered into a Commission-approved Joint Operating

⁹ See *Sw. Power Pool, Inc.*, 82 FERC ¶ 61,285 (1998) (establishing June 1, 1998, as the effective date of the SPP Tariff). Southwestern is one of the original transmission-owning members of SPP. See *Sw. Power Pool, Inc.*, 82 FERC ¶ 61,267, at n.2 (1998).

¹⁰ The current iteration of the SPP-Southwestern Tariff Services Agreement is Attachment AD of the Tariff.

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 8

Agreement (“JOA”)¹¹ that provides seams management and interregional planning between SPP and the IS Parties. Western-UGP also participates in SPP’s reserve sharing group by contract.¹² Additionally, SPP has filed, and the Commission has accepted, revisions to the Tariff to allow Western-UGP to participate in the Integrated Marketplace.¹³ As a result of these contractual relationships, SPP has extensive experience with PMAs’ (Southwestern and Western-UGP) functional requirements and statutory obligations, and is in a position to provide opportunities to Federal utilities wishing to take advantage of the many benefits of SPP membership.

D. Participation by Federal Power Marketing Agencies in RTOs

The Energy Policy Act of 2005 (“EPAct 2005”) provides a statutory foundation to allow a Federal utility, such as a PMA, to participate formally in an RTO.¹⁴ Section 1232 dictates the scope and scale of a PMA’s RTO membership. Under Section 1232 of EPAct 2005, a PMA may enter into an agreement that places all or part of a Federal utility’s transmission system under the functional control of an RTO.¹⁵ In accordance with the statute, such agreement must include, at a minimum: (1) performance standards for operation and use of the transmission system the PMA determines are necessary or appropriate;¹⁶ (2) provisions for monitoring and oversight by the Federal utility of the RTO’s terms and conditions of the agreement;¹⁷ and (3) a provision that allows the Federal utility to withdraw from the RTO and terminate the agreement in accordance with set terms.¹⁸ Additionally, Section 1232 provides that

¹¹ See Submission of Joint Operating Agreement Between Southwest Power Pool, Inc. and Western Area Power Administration of Southwest Power Pool, Inc., Docket ER12-1586-000 (Apr. 20, 2012). FERC conditionally accepted the JOA on September 18, 2012 (*See Sw. Power Pool, Inc.*, 140 FERC ¶ 61,199 (2012) (“JOA Order”). SPP submitted its compliance filing on October 18, 2012 (*See Compliance Filing Revising Joint Operating Agreement of Southwest Power Pool, Inc.*, Docket No. ER12-1586-002 (Oct. 18, 2012)). See also Exhibit No. SPP-3, Prepared Direct Testimony of Carl A. Monroe at 6.

¹² See Exhibit No. SPP-3, Prepared Direct Testimony of Carl A. Monroe at 6.

¹³ *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER14-1204-000 (Mar. 14, 2014) (“March 14 Letter Order”).

¹⁴ See 42 U.S.C. § 16431.

¹⁵ *Id.* at (b). “Transfer – The appropriate Federal regulatory authority may enter into a contract, agreement, or other arrangement transferring control and use of all or part of the transmission system of a Federal utility to a Transmission Organization.”

¹⁶ *Id.* at (c)(1). Providing the standards must ensure, amongst other things, “consistency with the statutory authorities, obligations, and limitations of the Federal utility,”

¹⁷ *Id.* at (c)(2).

¹⁸ *Id.* at (c)(3).

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 9

RTO membership does not suspend, or exempt any Federal utility from, any provision of Federal law, including the statutory authorities that define the PMA's use of its transmission facilities,¹⁹ nor does Section 1232 provide for the abrogation of any existing contract or treaty obligation.²⁰ Finally, Section 1232 does not confer or require Commission jurisdiction over Federal assets (generation, transmission capacity, or energy)²¹ or the PMA's power sales activities.²²

E. The IS Parties' Decision to Join SPP

The IS Parties' conclusion to join SPP culminated after years of focused evaluation coordinated between Western-UGP, Basin Electric, and Heartland. The IS Parties have been studying various RTO options since the early 2000's. In 2011, the IS Parties initiated and completed a high-level analysis to determine the costs and benefits of the IS Parties remaining a stand-alone entity versus joining an RTO. As a result of that study and beginning in 2012, the IS Parties initiated an in-depth study of possible RTO membership.

As a result of that in-depth study work, on November 1, 2013, Western-UGP published its official recommendation to pursue membership in SPP in the Federal Register ("Notice").²³ On January 9, 2014, Western-UGP's Administrator authorized Western-UGP staff to move forward with the recommendation to pursue formal negotiations with SPP to make official membership possible.²⁴ Western-UGP's decision to pursue SPP membership was based on the cost-benefit analysis it performed along with all comments submitted by customers and stakeholders.²⁵

As mentioned above, Basin Electric and Heartland, as IS Parties, participated in the various studies of RTO membership. Basin Electric's interest in RTO membership began in the early 2000s following the Commission's orders establishing the RTO structure, but major review of potential RTO membership started in late

¹⁹ *Id.* at (e)(2)(A).

²⁰ *See* 42 U.S.C. § 16431 at (e)(2)(B).

²¹ *Id.* at (d)(1).

²² *Id.* at (d)(2).

²³ *See* 78 FR 65641 (Nov. 1, 2013).

²⁴ *See* letter dated January 9, 2014 ("Authorizing Letter") as attached as Exhibit No. SPP-11.

²⁵ *See* Exhibit No. SPP-11, Authorizing Letter at 1. Further information and in-depth discussion of the public informational forums and Western-UGP's decision to pursue SPP membership can be found at the following link: <http://www.wapa.gov/ugp/powermarketing/AlternateOperationsStudy/AOS.htm>.

The Honorable Kimberly D. Bose

September 11, 2014

Page 10

2011/early 2012 in conjunction with the other IS Parties. After completion of the various studies and numerous discussions amongst Basin Electric's members and the other IS Parties, and a favorable evaluation from SPP, Basin Electric's Board of Directors resolved in April 2013 to support Western-UGP in its Federal process to join SPP and to negotiate with SPP concerning the terms on which Basin Electric might join SPP. Heartland, also a vital member of the IS Parties, participated in the process to evaluate SPP and determined that SPP was the best business decision to reduce costs and maximize opportunity for Heartland's customers. In October 2013, Heartland's Board of Directors authorized Heartland to investigate membership in SPP for the purposes of placing Heartland's facilities and transmission service under the SPP Tariff and the functional control and operational authority of SPP, and providing for Heartland's participation in the Integrated Marketplace.

Pursuant to these various decisions, SPP, Basin Electric, and Heartland began formal negotiations in September and October of 2013 by entering into Memoranda of Understanding that formalized the commitment to investigate and provide information to study the potential costs and benefits of SPP membership.²⁶ As stated previously, Western-UGP issued its official recommendation to pursue SPP membership in November 2013 and began formal negotiations to pursue SPP membership in January of 2014.

F. SPP Stakeholder Process

SPP's stakeholders have been engaged in discussions regarding potential IS Parties' membership since 2011.²⁷ Beginning 2012, SPP engaged its stakeholders through regular reports on the status of the IS Parties' evaluation of membership consistent with SPP's member-driven process for new member interest.²⁸ During this time, SPP staff, with input from stakeholders, performed a reliability analysis of the IS Parties' current and planned transmission system and the timing of the IS Parties' planned transmission projects.²⁹ The Transmission Working Group endorsed the study as having been performed in accordance with SPP Criteria, and all mitigations of potential reliability impacts were addressed by the IS Parties.³⁰

Additionally, SPP assessed the economic impacts of the IS Parties' membership on current SPP members. The analysis was a cost-benefit analysis for the

²⁶ See Exhibit No. SPP-3, Prepared Direct Testimony of Carl A. Monroe at 7.

²⁷ *Id.* at 7.

²⁸ *Id.* at 7-8.

²⁹ *Id.* at P 9.

³⁰ *Id.* at 10.

The Honorable Kimberly D. Bose

September 11, 2014

Page 11

ten (10) years following the IS Parties' integration.³¹ SPP's analysis indicated that current SPP Members can expect approximately \$334 million in net benefits as a result of the IS Parties' membership.³² Based on these results, SPP started the process of drafting revisions to the Governing Documents necessary to effectuate the integration.

The revisions to the Governing Documents filed herein were developed through the SPP stakeholder process and were the result of multiple meetings and discussions by the Corporate Governance Committee ("CGC") of the SPP Board of Directors ("SPP Board"), and the working groups responsible for the Tariff and transmission operations. The SPP Regional State Committee ("RSC") was regularly informed (beginning on January 27, 2014) of the progress being made within the stakeholder process. On multiple occasions, the RSC was presented with data regarding the costs and benefits of the IS Parties joining SPP and heard directly from the IS Parties about the revisions necessary to the Governing Documents. The revisions to the Bylaws and Membership Agreement were approved by the CGC on May 1, 2014.³³ The Regional Tariff Working Group ("RTWG") approved the Tariff modifications on May 23, 2014.³⁴ The proposed changes to the Tariff were presented to the Markets and Operation Policy Committee ("MOPC") and approved on June 2, 2014.³⁵ The SPP Board approved the changes to the Governing Documents on June 9, 2014 in special session.³⁶

After SPP Board approval of the necessary changes to the Governing Documents, Western-UGP, Basin Electric, and Heartland all obtained final authority to join SPP from their respective governing entities. Heartland's board of directors approved SPP membership on July 8, 2014³⁷, and Western's Administrator approved

³¹ *Id.* at 11.

³² *Id.* at chart labelled "Effect of IS Joining SPP".

³³ See CGC Meeting Minutes No. 50 posted at:
<http://www.spp.org/publications/CGC%205.1.14%20Minutes.pdf>.

³⁴ See RTWG Meeting Minutes dated May 23, 2014 at Agenda Item 14(a) posted at:
<http://www.spp.org/publications/RTWG%20Minutes%20and%20Attachments%20-%20May%2021%20-%2023,%202014.pdf>.

³⁵ See MOPC Meeting Minutes dated June 2, 2014 at Agenda Item 4 posted at:
<http://www.spp.org/publications/MOPC%20Minutes%20&%20Attachments%20June%202,%202014%20updated.pdf>.

³⁶ See Special Board of Directors/Members Committee Meeting Minutes dated June 9, 2014 at Agenda Item 2-3 posted at:
[http://www.spp.org/publications/Spcl%20Mtg%20of%20BOD%20MC%20060914%20Minutes%20&%20Attachments%20-%20\(3\).pdf](http://www.spp.org/publications/Spcl%20Mtg%20of%20BOD%20MC%20060914%20Minutes%20&%20Attachments%20-%20(3).pdf).

³⁷ See Exhibit No. SPP-12 (containing Heartland's Board of Directors Resolution).

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 12

SPP membership on the next day. Basin Electric's board of directors authorized Basin Electric to join SPP on July 16, 2014.³⁸ The IS Parties and SPP intend for the IS Parties to be fully integrated into SPP on October 1, 2015.

III. JUSTIFICATION FOR REVISIONS TO GOVERNING DOCUMENTS

The revisions to the Governing Documents proposed herein are necessary to enable the IS Parties to individually join SPP as Members. Further, the revisions to the Governing Documents satisfy the requirements of Section 1232 of EPAct 2005 that require the PMA's RTO contracts to include: (1) performance standards for operation and use of the transmission system the PMA determines are necessary or appropriate;³⁹ (2) provisions for monitoring and oversight by the Federal utility of the RTO's terms and conditions of the agreement;⁴⁰ and (3) a provision that allows the Federal utility to withdraw from the RTO and terminate the agreement in accordance with set terms.⁴¹ Further still, the revisions proposed herein are "consisten[t] with the statutory authorities, obligations, and limitations of the Federal utility,"⁴² and the revisions do not seek to "suspend, or exempt any Federal utility from, any provision of Federal law in effect on August 8, 2005" as required by the statute.⁴³ Similarly, Basin Electric as a rural electric cooperative and Heartland as a political subdivision of a state are subject to their own respective legal requirements which necessitate Tariff revisions as an essential component of membership.

The requirements applicable to Western-UGP that impact RTO membership can be categorized into four general areas: 1) limitations due to Congressional appropriations and Federal restrictions on how Western-UGP can spend Federal funding; 2) limitations on how Western-UGP funds expansion or modification of its transmission facilities; 3) limitations on how Western-UGP may market Federal power; and 4) requirements of Federal law generally applicable to all governmental agencies. Western-UGP has identified these requirements and limitations to ensure that appropriate modifications are reflected in the Governing Documents that are both acceptable to Western-UGP and adequate to allow Western-UGP to satisfy its statutory obligations and Federal legal requirements.

³⁸ See Exhibit No. SPP-13 at 2 (containing Basin Electric's Board of Directors Resolution).

³⁹ See *supra* at n. 16.

⁴⁰ See *supra* at n. 17.

⁴¹ See *supra* at n. 18.

⁴² See 42 U.S.C. § 16431 (c)(1)(C).

⁴³ *Id.* at (e)(2)(A).

The Honorable Kimberly D. Bose

September 11, 2014

Page 13

Specifically, Western-UGP is limited to using funds appropriated to it by Congress solely for the purposes of marketing Federal power and making modifications to Western-UGP's transmission facilities. Western-UGP is unable to commit to future expenditures prior to adequate Congressional appropriations.⁴⁴ Additionally, Western-UGP is limited in the amount of funds it may receive from third parties for the purposes of modifications to their transmission facilities, and Western-UGP requires the right to approve or disapprove modifications to its transmission facilities by third parties.⁴⁵ Finally, Western-UGP is required to maintain a certain level of oversight over the RTO to which it transfers functional control of its transmission facilities.⁴⁶ Absent appropriate mechanisms to account for these obligations and restrictions placed on Western-UGP by Federal law, Western-UGP would be unable to participate as an RTO member.

Federal law also places requirements on how governmental agencies operate and do business with private entities and government contractors. Such limitations include, but are not limited to, requirements of the Tort Claims Act, which limits the liability of Federal agencies, and other laws that establish requirements for dispute resolution and choice of law.⁴⁷ Western-UGP is also required to comply with acts of Congress in areas of employment practices, safety standards, and all regulations promulgated by the Department of Energy.⁴⁸ Such changes to the Governing Documents proposed herein include the addition of language that would make Federal law applicable to all transactions between Western-UGP and another market participant, including, but not limited to, all acts of Congress and regulations of the Secretary of Energy, equal employment practices, contract work hours and safety

⁴⁴ See Exhibit No. SPP-6, Direct Testimony of Steven Sanders at 5. See also the Antideficiency Act, 31 U.S.C. §§ 1341(a)(1)(A), 3141(a)(1)(B). See also 31 U.S.C. § 1517(a) (prohibiting a Federal agency from making obligations or expenditures in excess of an apportionment or reappropriation, or in excess of the amount permitted by agency regulations).

⁴⁵ See generally Exhibit No. SPP-6, Direct Testimony of Steven Sanders at 6, 13-16. Western explains that it needs language to be included in an RTO Tariff to condition any obligation Western has to build facilities upon the receipt of appropriations or customer advances. See also the Reclamation Project Act of 1939, 43 U.S.C. §§ 395, et seq. (placing restrictions on how Western-UGP pays for construction costs).

⁴⁶ See Exhibit No. SPP-5, Direct Testimony of Lloyd A. Linke at 21-22.

⁴⁷ See Exhibit No. SPP-7, Direct Testimony of Jody S. Sundsted at 24-25. See also Exhibit No. SPP-6, Direct Testimony of Steven Sanders at 5-6.

⁴⁸ See Exhibit No. SPP-7, Direct Testimony of Jody S. Sundsted at 20; See also Exhibit No. SPP-5, Direct Testimony of Lloyd A. Linke at 9-11.

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 14

standards, and use of convict labor.⁴⁹ The language in these provisions has already been approved by the Commission in two earlier dockets.⁵⁰

These constraints as identified by Western-UGP form the basis for the majority of proposed revisions to the Governing Documents. In light of the many Federal requirements and obligations imposed upon PMAs, Western-UGP has requested the Federal Service Exemption from certain charges under the Tariff, in conjunction with other changes to SPP's Governing Documents, to allow Western-UGP to join the RTO as a Transmission Owning Member.

A. The Federal Service Exemption Is Directly Justified by Section 1232 of EPACT 2005 And Western-UGP's Governing Statutes

In this filing, SPP proposes to establish the Federal Service Exemption for Western-UGP's Statutory Load Obligations. Specifically, the Federal Service Exemption applies to the transmission of Federal power to serve Western-UGP's statutory preference customers. The Federal Service Exemption will be applied only to Western-UGP's Statutory Load Obligations. All other transactions by Western-UGP and the other IS Parties under the Tariff shall not be subject to the Federal Service Exemption. Generally, the Federal Service Exemption provides that Western-UGP shall be exempt from the Tariff's Schedule 11 Region-wide Charge associated with Western-UGP's delivery of Federal power resources to Western-UGP's Statutory Load Obligations internal to the IS Parties' zone, and/or external to SPP. Additionally, any load served by Western-UGP in the Western Interconnection utilizing transmission facilities from the IS Parties' zone will also not be subject to the Tariff's Schedule 11 Region-wide Charge to the extent the load is served only by resources in the Western Interconnection. Western-UGP shall also be exempt from "congestion and marginal loss charges in accordance with Attachment AE of this Tariff for deliveries from Federal Power-Western-UGP resources across the IS Parties' zone to Western-UGP's Statutory Load Obligations."⁵¹ Rather, Western-UGP is responsible for providing SPP with real energy losses in accordance with Attachment M of the Tariff.⁵²

Section 1232 of EPAct 2005 established the necessary statutory authority to encourage PMA participation in an RTO. The Federal Service Exemption is a construct that is contemplated within the boundaries of the statute that specifically authorizes a PMA to join an RTO. Section 1232(b) and (c) authorize a PMA to enter

⁴⁹ See Exhibit No. SPP-7, Direct Testimony of Jody S. Sundsted at 19-20.

⁵⁰ See JOA Order. See also March 14 Letter Order.

⁵¹ See Proposed Tariff at Section 39.3(e)(ii).

⁵² *Id.*

The Honorable Kimberly D. Bose

September 11, 2014

Page 15

into a contract with an RTO as long as the contract is consistent with the existing contracts of that PMA and is consistent with the PMA's statutory authorities, obligations and limitations. Section 1232(d) prohibits Commission jurisdiction over the PMA's generation, transmission, energy, and power sales activities. Congress enacted Section 1232 as the framework through which a PMA can join an RTO. It is within these clear statutory parameters that the Commission should find the Federal Service Exemption to be just and reasonable.

As stated, Section 1232(c) requires Western-UGP to comply with its statutory authorities, obligations and limitations. Western-UGP has interpreted its statutory requirements within the RTO structure to require an exemption from market charges related to congestion and marginal losses, as well as the exemption from the Tariff's Schedule 11 Region-Wide costs for delivery of Federal Power-Western-UGP resources to its Statutory Load Obligations.⁵³ Western-UGP states that "[t]he overarching basis for the Federal Service Exemption stems from Section 1232 of EPAct 2005."⁵⁴ While Section 1232 does not provide direction on the specific rate issues addressed in this filing, the requirements that any agreement to transfer functional control and use of facilities must ensure "consistency with existing contracts"⁵⁵ and "consistency with the statutory authorities, obligations, and limitations of the Federal utility"⁵⁶ support Western-UGP's conclusion and the need for the Federal Service Exemption.

Western-UGP has cited section 9(c) of The Reclamation Project Act of 1939 for the statutory provision that requires Western-UGP to give "preference in power sales" to public agencies, cooperatives, municipalities, and other non-profit entities,⁵⁷ including but not limited to, organizations financed in whole or in part by loans made under the Rural Electrification Act of 1936.⁵⁸ Western-UGP is also required by statute to sell such power at the "lowest possible rates to consumers consistent with sound business principles" and to "encourage widespread use."⁵⁹ Moreover, construction of transmission lines to support such preference power sales is only authorized to the extent they are necessary to make the power generated at the Federal

⁵³ See Exhibit No. SPP-7, Direct Testimony of Jody S. Sundsted at 4.

⁵⁴ *Id.* at 9.

⁵⁵ See 42 U.S.C. § 16431 (c)(1)(B).

⁵⁶ *Id.* at (c)(1)(C).

⁵⁷ 43 U.S.C. § 485h(c)(1)(B).

⁵⁸ *Id.*

⁵⁹ See 16 U.S.C. § 825s.

The Honorable Kimberly D. Bose

September 11, 2014

Page 16

projects available for sale.”⁶⁰ Western-UGP states that, “[p]ursuant to these statutory principles...Western [has] constructed sufficient transmission facilities or purchased transmission capacity within Western-UGP to enable it to enter into long-term contractual commitments for the delivery of its finite Federal generation to its statutory load customers,” and “as such its Statutory Load Obligations will basically not grow.”⁶¹ Therefore, Western concludes, “it has no need for an increase in regional transmission capacity to assist in meeting future delivery needs” and cannot agree to subject itself to those additional charges.”⁶²

In addition to maintaining continued compliance with its existing statutory obligations, Section 1232(e) exempts power sales activities of the PMA from the Commission’s jurisdiction. While statutorily undefined, Western-UGP has interpreted “power sales activities” to include all delivery of energy from Western-UGP to its customers. In light of this specific reservation of Commission jurisdiction, the Federal Service Exemption is closely analogous to a unique exemption from some RTO charges for certain parties with particular pre-existing grandfathered agreements (“GFA”) in SPP’s Integrated Marketplace and other markets.⁶³

Within the construct of the Commission-recognized carved-out GFA status, an entity wishing to participate in an RTO avoids the abrogation of contracts that are outside the scope of FERC’s jurisdiction. Here, the Federal Service Exemption is recognition of Western-UGP’s duty to comply with its Federal requirements, statutory obligations, and related contractual terms that are not subject to Commission oversight. The Federal Service Exemption is narrowly constructed to apply only to Western-UGP’s delivery of Federal resources to its Statutory Load Obligations to preference customers over the Upper Missouri Zone (“UMZ”) transmission facilities. The total energy that can be transmitted under these terms is finite and static, just like deliveries under a carved-out GFA. The basis upon which the Commission cannot

⁶⁰ See *Id.* (Section 5 of the Flood Control Act also authorizes Western-UGP “from funds to be appropriated by the Congress, to construct or acquire, by purchase or agreement, only such transmission lines and related facilities as may be necessary in order to make power and energy generated at such projects available for sale on fair and reasonable terms and conditions to facilities owned by the [preference customers]”).

⁶¹ See Exhibit No. SPP-7, Direct Testimony of Jody S. Sundsted at 13-14.

⁶² *Id.*

⁶³ See, e.g., *Sw. Power Pool, Inc.*, 144 FERC ¶ 61,254, at PP 18, 23 (2013) (conditionally approving settlement filed by SPP to implement a “carve-out” for certain GFAs from the SPP Integrated Marketplace); see also, e.g., *Sw. Power Pool, Inc.*, 144 FERC ¶ 61,255, at PP 1, 19 (2013) (conditionally accepting revisions to the SPP Tariff to implement a GFA carve out subject to additional Tariff revisions).

The Honorable Kimberly D. Bose

September 11, 2014

Page 17

abrogate certain contracts is rooted in precedent⁶⁴ and the Commission has approved similar treatment for contracts that are not subject to Commission jurisdiction.⁶⁵

Participation by Western-UGP within the Integrated Marketplace other than delivery of Federal resources to its Statutory Load Obligations will be under the same terms and conditions as apply to other Members, Transmission Customers, and Market Participants under the Tariff. The governing statutes identified by Western-UGP support its interpretation of its obligations under Federal law and the need for the Federal Service Exemption to ensure Western-UGP's compliance with all legal obligations.⁶⁶ The Federal Service Exemption is a just and reasonable accommodation to enable Western-UGP to join and participate in SPP and the Commission should

⁶⁴ See *United Gas Pipe Line Co. v. Mobile Gas Serv. Corp.*, 350 U.S. 332 (1956); *FPC v. Sierra Pac. Power Co.*, 350 U.S. 348 (1956).

⁶⁵ See *Sw. Power Pool, Inc.*, 141 FERC ¶ 61,048 (2012) at P 309, *order on reh'g and clarification*, 142 FERC ¶ 61,205 (2013). See also *Sw. Power Pool, Inc.*, 144 FERC ¶ 61,255 (2013) at 1. See also *Midwest Indep. Transmission System Operator, Inc.*, 108 FERC ¶ 61,236 (2004) at P 150.

⁶⁶ See *Chevron U.S.A. Inc. v. Natural Resources Defense Council, Inc.*, 467 U.S. 837, 843-44 (1984) (when a statute is silent or ambiguous or Congress has not directly addressed the precise question at issue, a court evaluates "whether the agency's answer is based on a permissible construction of the statute;" a "court need not conclude that the agency construction was the only one it permissibly could have adopted to uphold the construction;" if Congress left a "gap" in the statute, a court should defer to the reasonable interpretation of the agency).

The Honorable Kimberly D. Bose

September 11, 2014

Page 18

continue its policy of encouraging public power participation in RTOs.⁶⁷ For these reasons, SPP requests the Commission find the Federal Service Exemption to be just and reasonable and in the public interest.

B. The Co-Supply Arrangement

The Co-Supply Arrangement being requested in this filing will enable load-serving entities to maintain their current practice of providing supplemental power supplies to Western-UGP's preference customers utilizing network service.⁶⁸ Under the current arrangement, Western-UGP supplies power to its preference customers using a fixed allocation of Federal power, and the co-supplier provides the remainder of the customer's power requirements. However, the Tariff currently requires a network customer to designate 100 % of its load at a delivery point.⁶⁹ In light of this Tariff requirement, co-suppliers such as Basin Electric and Heartland would not be able to continue supplying the balance of the power requirements of customers who also are served by Western-UGP unless the Tariff is modified. The Tariff modifications being proposed herein are necessary to enable the Co-Supply Arrangements to continue once the IS Parties join SPP and begin taking transmission

⁶⁷ See, e.g., *Sw. Power Pool, Inc.*, 125 FERC ¶ 61,239, at P 15 (2008) ("We continue to believe that the successful development of regional transmission organizations must include public power, and we believe that the Nebraska Entities' participation will enhance the reliability and economic benefits of SPP."); *TRANSLink Transmission Co., L.L.C.*, 101 FERC ¶ 61,140, at P 26 (2002) ("We believe that successful RTO development must include public power and we are heartened by the fact that the TRANSLink proposal has attracted so much interest by public power participants. . . . In Order No. 2000, we recognized that a properly formed RTO should include all transmission owners in a region and further acknowledged that public power entities faced unique difficulties in RTO participation. Therefore, we indicated that we would be flexible and analyze proposals to include public power on a case-by-case basis."); *Regional Transmission Organizations*, Order No. 2000, 1996-2000 FERC Stats. & Regs., Regs. Preambles ¶ 31,089, at 31,200-201 (1999) ("We reaffirm our preliminary determination that a properly formed RTO should include all transmission owners in a specific region, including . . . Federal Power Marketing Agencies (PMAs) We acknowledge that public power entities face several difficult issues regarding RTO participation . . . on an RTO-by-RTO basis, we will examine submitted proposals that provide public power and cooperatives with the flexibility to join an RTO."), *order on reh'g*, Order No. 2000-A, 1996-2000 FERC Stats. & Regs., Regs. Preambles ¶ 31,092 (2000), *aff'd sub nom. Pub. Util. Dist. No. 1 v. FERC*, 272 F.3d 607 (D.C. Cir. 2001).

⁶⁸ See Exhibit No. SPP-9, Direct Testimony of David Raatz at 3-5.

⁶⁹ See Tariff at Definitions N- Network Load ("[A] Network Customer may elect to designate less than its total load as Network Load but may not designate only part of the load at a discrete Point of Delivery").

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 19

service from SPP. Basin Electric has stated it would be extremely difficult for the IS Parties to join SPP without the Co-Supply Arrangement because it would be unable to continue using network service to deliver power to its customers.⁷⁰

SPP respectfully requests the Commission approve the Co-Supply Arrangement. The changes are in the public interest as they will allow the IS Parties to join SPP and place their transmission facilities under the Tariff. Commission approval of the Co-Supply Arrangement is also warranted. The Commission has previously permitted a co-supply arrangement involving preference power customers.⁷¹ As the Co-Supply Arrangement is consistent with Commission precedent, SPP respectfully requests the Commission find that the proposed Tariff modifications to effectuate the Co-Supply Arrangement are just and reasonable.

IV. DESCRIPTION OF REVISIONS TO GOVERNING DOCUMENTS

The integration of the IS Parties into full SPP membership requires modification to the Tariff, the Bylaws, and the Membership Agreement. The revisions to the Governing Documents proposed herein are necessary to allow the IS Parties individually to become Members of SPP. Because of Western-UGP's unique status as a PMA, subject to Federal law and its statutory obligations, the majority of revisions to the Governing Documents are applicable to Western-UGP's participation in the SPP stakeholder process and the Tariff. Neither Basin Electric nor Heartland is a Public Utility as defined in the FPA. As a result, many of the Tariff revisions proposed herein also reflect their unique status as IS Parties, subject to certain legal obligations, including, but not limited to, Federal law (to the extent the transaction involves Western-UGP), and the entity's own governing requirements.

Ultimately, the purpose of all revisions to the Governing Documents is to ensure that each IS Party is able to continue to participate in SPP as a Transmission Owning Member, transition its facilities and service to SPP transmission service, and participate in the Integrated Marketplace, all the while satisfying its interpretations of its statutory and contractual obligations, consistent with each entity's non-

⁷⁰ See Exhibit No. SPP-9, Direct Testimony of David Raatz at 4.

⁷¹ See *Duke Power Co.*, 81 FERC ¶ 61,010, 61,047 (1997) (permitting preference customers of the Southeast Power Administration ("SEPA") to designate less than their entire load at a discrete point as network load because the entire load would be served on a network basis where "the portion of the preference customers' loads met by their SEPA allocation would be served under [an open access transmission tariff]").

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 20

jurisdictional status under the FPA.⁷² To that end, SPP proposes the following revisions to the Tariff, Bylaws, and Membership Agreement:

A. Revisions to Tariff

SPP proposes to revise the following sections of the SPP Tariff to integrate the IS Parties. Capitalized terms that are not otherwise defined as new terms herein shall have the meanings specified in the Tariff.

B - Definitions

Base Plan Upgrades- The following language is being added to the definition of Base Plan Upgrades:

“The Base Plan Upgrades in Zones 1 through 18 identified by the Transmission Provider with a need date prior to October 1, 2015 shall not be allocable to Zone 19. The upgrades in Zone 19 identified by the Transmission Provider with a need date prior to October 1, 2015, shall not constitute Base Plan Upgrades. The facilities identified in Schedule 2 to Attachment J are expressly deemed to be Base Plan Upgrades pursuant to Attachment J, Section III.A.2.”

The revision to the definition of Base Plan Upgrades is intended to provide a fair and equitable basis for merging the planning and cost allocations for the IS Parties’ transmission system into the SPP Tariff process. The revision establishes the October 1, 2015 integration date as a “need by” cutoff date. Per the revisions, Base Plan Upgrades with a need by date prior to October 1, 2015 in the IS Parties’ zone, shall not be considered Base Plan Upgrades for cost allocation purposes. Similarly, the IS Parties shall not have cost allocation assigned to them for SPP upgrades needed prior to October 1, 2015. The testimony of Carl A. Monroe addresses the revisions to the definition of Base Plan Upgrades at Exhibit No. SPP-3, pages 14-16.

E - Definitions

Eastern Interconnection- SPP proposes to add the new definition of Eastern Interconnection to its Tariff. This new definition is necessary as the IS Parties have facilities in both the Eastern Interconnection and Western Interconnection.

⁷² 16 U.S.C. 824(e).

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 21

Eligible Customer- SPP proposes to revise the definition of Eligible Customer to capitalize the term “Federal Power Marketing Agency” in conjunction with its proposal to add the definition of Federal Power Marketing Agency to the Tariff.

F - Definitions

Federal Power-Southwestern- SPP proposes to modify the definition of “Federal Power” to “Federal Power-Southwestern” in conjunction with its proposal to add the definition of “Federal Power-Western-UGP” to clearly distinguish between the two Federal PMAs that transact under the Tariff. This distinction is necessary due to differences in statutory obligations for individual PMAs and the relationship each respective PMA has with SPP.

Federal Power-Western-UGP- SPP proposes to add the new definition of “Federal Power-Western-UGP” to the Tariff. This definition will include “all power and energy generated at reservoir projects under the control of the Department of the Army or the Bureau of Reclamation in the marketing area of Western-UGP for the purpose of fulfilling Western-UGP’s Statutory Load Obligations for the sale of power and energy.” Under this new definition “Federal Power-Western-UGP” also denotes “any power and energy delivered to or from Western-UGP under the grandfathered bi-directional agreement with Southwestern Power Administration through Associated Electric Cooperative, Inc. (“AECI”) for delivery and receipt at AECI’s Maryville Substation.” The definition also provides that “Western-UGP’s deliveries to Southwestern shall be considered part of Western-UGP’s Statutory Load Obligations, and receipts from Southwestern to Western-UGP will be considered as coming from Federal resources. Federal Power-Western-UGP resources shall be eligible to be considered as Designated Resources.”

Federal Power Marketing Agency- SPP proposes to add the new definition of “Federal Power Marketing Agency,” which shall also include “Federal Power Marketing Administration.” A Federal Power Marketing Agency is “any agency or instrumentality of the United States (other than the Tennessee Valley Authority) which sells electric energy,” as set forth in the Federal Power Act at 16 U.S.C. § 796(19).

Federal Service Exemption- SPP proposes to add the new definition of “Federal Service Exemption” to the Tariff. The definition specifies that Western-UGP will be exempt from certain charges as described in Section 39.3(e) of the Tariff, which is discussed in greater detail in Section III.A of this transmittal letter.

G – Definitions

Grandfathered Agreements or Transactions- SPP proposes several modifications to the definition of “Grandfathered Agreements or Transactions”

The Honorable Kimberly D. Bose

September 11, 2014

Page 22

(“GFAs”). First, SPP modifies a reference to Federal Power in subpart (4) to reflect the change to “Federal Power-Southwestern.” Second, in subparts (6), (7) and (8) SPP proposes to add the phrase “or South Dakota” following the reference to Nebraska to clarify that certain contracts entered into by Nebraska or South Dakota public power entities are considered Grandfathered Agreements or Transactions. Third, SPP proposes to add a new subpart (10) to include “contracts executed by Western-UGP prior to the transfer of functional control of Western-UGP transmission facilities to the Transmission Provider, regardless of term, for the transmission of power or energy” as Grandfathered Agreements or Transactions. The revisions to the definition of Grandfathered Agreements or Transactions will recognize the IS Parties’ agreements that were executed prior to integration as GFAs. The language provides treatment that is similar to the treatment that applies to other GFAs that are not subject to the Tariff.

R – Definitions

Region-wide Annual Transmission Revenue Requirement- SPP proposes revisions to the definition of Region-wide Annual Transmission Revenue Requirement to reflect the addition of a new table to Attachment H, proposed herein. Further discussion and justification of Attachment H is included below.

Region-wide Load Ratio Share- SPP proposes revisions to the definition of Region-wide Load Ratio Share to reflect the addition of a new table to Attachment H, proposed herein. Further discussion and justification of Attachment H is included below.

S – Definitions

Statutory Load Obligations- SPP proposes to add the new definition of “Statutory Load Obligations” to the Tariff to account for Western-UGP’s power sales to preference power customers required by its governing statutes. The definition provides that:

“Western-UGP’s power marketing function obligations under Federal law to deliver power and energy from the output of the Federal hydroelectric projects operated by the Department of the Army and the Bureau of Reclamation to loads which include project use loads, preference power customer loads in Iowa, Minnesota, Montana, Nebraska, North Dakota, and South Dakota located in a marketing area defined pursuant to a power marketing plan, and other loads required to be served under Federal law.”

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 23

U – Definitions

Upper Missouri Zone- SPP proposes to add the new definition of “Upper Missouri Zone” to the Tariff in order to clearly establish the rate pricing zone for the IS Parties. This may also be referred to as the “UMZ” or “Zone 19.” Upon the transfer of functional control to SPP, the UMZ shall initially consist of the following facilities that meet the requirements of Attachment AI of the Tariff:

(i) the facilities of Western-UGP within the Eastern and Western Interconnections; (ii) the facilities owned or leased by Basin Electric Power Cooperative or Heartland Consumers Power District within the Eastern Interconnection; (iii) a portion of the facilities owned or leased by Basin Electric Power Cooperative within the Western Interconnection; and (iv) other facilities of the Western Area Power Administration in the Eastern Interconnection transferred to the functional control of the Transmission Provider, not included in the facilities of Western-UGP in (i) above.

W – Definitions

Western Area Power Administration-Upper Great Plains Region- This new proposed definition specifies that Western Area Power Administration-Upper Great Plains Region, also referred to in the Tariff as “Western-UGP”, is:

“A division of the Western Area Power Administration that markets and transmits Federal power from reservoir projects under the control of the Department of the Army or the U.S. Bureau of Reclamation. Western-UGP operates the WAUW Balancing Authority Area in the Western Interconnection, where certain of its transmission facilities are located. Western-UGP has transferred Federal transmission facilities in both the Eastern Interconnection and Western Interconnection to the functional control of the Transmission Provider.”

Western Interconnection- SPP proposes to add the new definition of Western Interconnection to its Tariff. This new definition is necessary as the IS Parties have facilities in both the Eastern Interconnection and Western Interconnection.

Section III- Network Integration Transmission Service, Preamble

SPP proposes the addition of a sentence to the Preamble to specify that SPP “shall recognize the requirements of the Federal Service Exemption to allow Western-UGP to meet its Statutory Load Obligations.”

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 24

Section 39.3

With this filing, SPP proposes significant and substantive non-rate terms and conditions to allow Western-UGP, Basin Electric and Heartland to individually place their facilities under the functional control of SPP and effectuate transmission service under the Tariff. The majority of these revisions are intended to recognize Western-UGP's status as a PMA, including a section to describe the application of the Federal Service Exemption. Also included are non-rate terms and conditions that identify the Federal obligations requirements placed upon Western-UGP. Additionally, included below provides the application of the Co-supply Arrangement. Further justification of these non-rate terms and conditions is included above in Section III of this transmittal letter and the accompanying testimony, where specifically noted herein.

- Section 39.3(a), (b) and (c)

The underlying language in this section is currently effective, having been previously accepted by the Commission to permit Western's participation in SPP's Integrated Marketplace.⁷³ During the development of the Tariff changes proposed herein, the IS Parties identified additional minor modifications that needed to be made to this section to correspond to the changes proposed herein such as referring to the Western Area Power Administration as "Western-UGP" and capitalization of the term "Federal."

- Section 39.3(d)

In new Section 39.3(d), SPP proposes the addition of language to address the Western-UGP Co-Supply Arrangement. Specifically, Section 39.3(d) provides that Western-UGP's designated Network Load shall be based upon its Statutory Load Obligations. Notwithstanding its Statutory Load Obligations, Western-UGP may not be the full-requirements power supplier, and in most instances Western-UGP does not serve the total load. Therefore, any additional power requirements served to a delivery point that falls under the Statutory Load Obligation may also be served by another transmission customer, known as a "Co-Supplier."⁷⁴ The Tariff limits the designation of network load by requiring the full load to be designated at a delivery point.⁷⁵ As a Co-Supplier under the Tariff will not be entitled to the Federal Service Exemption, the Co-Supply Arrangement described in this section will allow the Co-Supplier an exception to the Tariff limitation in order to use network service to serve

⁷³ See March 14 Letter Order.

⁷⁴ Basin Electric and Heartland fall under the Co-supplier designation for many of its transmission arrangements under the current Western Tariff.

⁷⁵ See *supra* at n. 69.

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 25

the partial load. To effectuate this power delivery paradigm, proposed Section 39.3(d) provides that the Co-Supplier shall be allowed to designate its portion of the total load as network load:

“A Co-Supplier to load in excess of Western-UGP’s Statutory Load Obligations shall be allowed to designate its portion of the total load at a delivery point as Network Load. In such case, that Co-Supplier’s Network Load shall be the total load at each delivery point less Western-UGP’s Statutory Load Obligations.”

The Western-UGP Co-Supply Arrangements are necessary to allow Basin Electric and Heartland to utilize its SPP network service to serve this load, in conjunction with Western-UGP’s fulfillment of its Statutory Load Obligation. There are other entities in the UMZ that co-supply Western-UGP customers and may also desire to utilize SPP network service in the future and they would also be considered a Co-Supplier under this definition. The Co-Supply Arrangement is discussed in more detail in the testimony of David Raatz and Jody Sundsted.⁷⁶

- Section 39.3(e)

SPP proposed a new Section 39.3(e) to describe the application of the Federal Service Exemption. As stated previously in Section III.A, the Federal Service Exemption applies to the transmission of Federal Power-Western-UGP (see definition above) to meet Western-UGP’s Statutory Load Obligations under the Tariff. Subsection (i) provides that Western-UGP shall be exempt from the Schedule 11 Region-wide Charge associated with Western-UGP’s delivery of Federal Power-Western-UGP resources to Western-UGP’s Statutory Load Obligations internal to the UMZ or external to SPP. Additionally, any load served by Western-UGP in the Western Interconnection utilizing transmission facilities in the UMZ will also not be subject to the Schedule 11 Region-wide Charge to the extent the load is served only by resources in the Western Interconnection.

Subsection (ii) provides that Western-UGP shall be exempt from “congestion and marginal loss charges in accordance with Attachment AE of this Tariff for deliveries from Federal Power-Western-UGP resources across the UMZ to Western-UGP’s Statutory Load Obligations.” Rather, Western-UGP is responsible for providing SPP with energy losses in accordance with Attachment M of the Tariff. For a typical Integrated Marketplace transaction, congestion costs and marginal losses (i.e., energy losses associated with market transactions) are included as components in the locational margin price (“LMP”) of the energy. Attachment M points to

⁷⁶ See Exhibit No. SPP-7, Direct Testimony of Jody Sundsted at 15-19; See also Exhibit No. SPP-9, Direct Testimony of David Raatz at 3-5.

The Honorable Kimberly D. Bose

September 11, 2014

Page 26

settlement of energy losses pursuant to Attachment AE. Western-UGP will not be subject to this type of marginal loss settlement. Rather, Attachment M will provide the mechanism for Western-UGP's satisfaction of losses for its Statutory Load Obligations. This type of carve out is similar to the treatment of GFAs in the Integrated Marketplace.⁷⁷

The Federal Service Exemption is discussed in more detail in the testimony of Jody Sundsted.⁷⁸

- Section 39.3(f)

In new Section 39.3(f), SPP proposes language to specify that the “individual hydroelectric projects from which the Western-UGP markets power and energy are owned and controlled by the Department of the Army or the U.S. Bureau of Reclamation.” This section requires SPP and Western-UGP to communicate and coordinate with the Department of the Army and U.S. Bureau of Reclamation with regard to any changes to these hydroelectric projects. Per Federal law, Western-UGP only has the authority to perform the power marketing functions and does not have the authority to operate the hydroelectric projects of the Department of the Army and the U.S. Bureau of Reclamation⁷⁹; and the ability to grant any requests by a transmission provider to dispatch, operate, maintain or add to the facilities are under the sole decision making authority of these entities. As a result, this section recognizes that SPP may request changes to the output of a hydroelectric facility to the extent allowed by the Department of the Army or the U.S. Bureau of Reclamation. The Commission has approved a similar provision in Attachment AD of the Tariff for the Federal resources marketed by Southwestern.⁸⁰

⁷⁷ See Section III.A above.

⁷⁸ See Exhibit No. SPP-7, Direct Testimony of Jody S. Sundsted at 4-15.

⁷⁹ See 42 U.S.C. § 7152. Section 302 of the Department of Energy Organization Act of 1977 transferred the power marketing functions of the Bureau of Reclamation, including its responsibility to market the output of the Department of the Army consistent with section 5 of the Flood Control Act of 1944, 16 U.S.C. 825(s).

⁸⁰ See Tariff at Attachment AD at Article I.5.c (providing “[a]ny operation of, and maintenance, modification, or addition to such Corps hydroelectric projects, including the funding of such activities, is subject to the requirements and express approval of the Corps”).

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 27

- Section 39.3(g)

New Section 39.3(g) specifies that “Federal Power-Western-UGP resources will be deemed to be eligible as Western-UGP Designated Resources” under the network service agreement.

- Section 39.3(h)

In new Section 39.3(h), SPP proposes language to address Western-UGP’s obligation to comply with various environmental and natural resource laws regulating the construction, operation and maintenance of its transmission facilities.⁸¹ Any transmission expansion, interconnections, modifications and additions to Western-UGP’s transmission facilities are dependent upon Western-UGP’s compliance with these laws, including any decision reached under the National Environmental Policy Act (“NEPA”). SPP will assist Western-UGP in complying with these laws with regard to the Western-UGP transmission facilities under the SPP Tariff. In addition, SPP agrees to abide by any NEPA decision, and such decisions shall not be subject to the dispute resolution procedures in this Tariff.

The NEPA requirements are discussed in more detail in the testimony of Jody Sundsted and Steven Sanders.⁸²

- Section 39.3(i)

New Section 39.3(i) provides that Western-UGP requires advance deposit of funds when it is required to perform any work for third parties in the absence of appropriated funds prior to committing to perform any work pursuant to the Tariff. Such requirement is established by Western-UGP’s interpretation of its obligations under the Antideficiency Act, which is explained in more detail in Section III of this transmittal letter and the testimony of Jody Sundsted and Steven Sanders.⁸³

⁸¹ This includes, but is not limited to: National Historic Preservation Act, 16 U.S.C. § 470 to 470x-6, the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321-4347 (“NEPA”), the Endangered Species Act, 16 U.S.C. §§ 1531-1544, and the Archaeological Resources Protection Act of 1979, 16 U.S.C. § 470aa-470mm (2006); and regulations and Executive Orders implementing these laws, as they may be amended or supplemented, as well as any other existing or subsequent applicable laws, regulations and Executive Orders.

⁸² See Exhibit No. SPP-7, Direct Testimony of Jody S. Sundsted at 25-26. See also Exhibit No. SPP-6, Direct Testimony of Steven Sanders at 6, 9-10.

⁸³ See Exhibit No. SPP-7, Direct Testimony of Jody S. Sundsted at 23-24. See also Exhibit No. SPP-6, Direct Testimony of Steven Sanders at 5-6.

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 28

- Section 39.3(j)

SPP proposes a new Section 39.3(j) to address Western-UGP's liability under the Tariff, which is statutorily limited. Likewise, this provision also precludes Western-UGP from indemnifying any party for service under the Tariff, consistent with the Antideficiency Act. Specifically, the new language provides that

“Western-UGP as a Transmission Customer as defined in Part I of this Tariff cannot indemnify, defend, and save harmless the Transmission Provider and Transmission Owner(s) pursuant to Section 10.3 of this Tariff due to the Antideficiency Act, 31 U.S.C. § 1341, *et seq.*, as amended or supplemented. Western-UGP's liability as a Transmission Customer is instead determined in accordance with the Federal Tort Claims Act, 28 U.S.C. § 1346(b), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.”

- Section 39.3(k)

Section 39.3(k) is a new section recognizing the unique approval authority for Western-UGP's rates pursuant to statute, regulation and the Department of Energy's delegation to the Commission. The proposed language states that transmission service rates and revenue requirements of Western-UGP “shall only be reviewed in accordance with Delegation Order No. 00-037.00A from the Secretary of Energy to the Federal Power Marketing Agencies and the Commission, as superseded or amended, and in accordance with the regulations implementing the review authority found in 10 C.F.R. Part 903 and 18 C.F.R. Part 300, as superseded or amended.” The unique rate approval authority for Western's rates is discussed in more detail in the testimony of Lloyd Linke.⁸⁴

- Section 39.3(l)

In Section 39.3(l) SPP and the IS Parties propose the addition of language to specify that Section 39.1 of the Tariff does not apply to Western-UGP. Section 39.1 was approved by the Commission during the integration into SPP's Tariff of the Nebraska entities, which are not public utilities under the FPA and are public-power entities subject to their state laws and regulations. The purpose of proposed Section 39.3(l) is to clearly delineate that Western-UGP, although it by definition is not a

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See Exhibit No. SPP-5, Direct Testimony of Lloyd A. Linke at 9-17.

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 29

public utility under the FPA and could be considered a public-power entity, is not intended to be included under that section.

- Section 39.3(m)

In Section 39.3(m), language is proposed to specify Western-UGP's position that as a Federal entity it is not subject to financial penalties or fines for violations of reliability standards that may be assessed by an Enforcement Entity, defined as "[the] Commission, Electric Reliability Organization (ERO), or Regional Entities with enforcement authority...." The provision states:

"Western-UGP has not waived or conceded any defense it may have, including sovereign immunity, intergovernmental immunity, or lack of subject matter jurisdiction in any action against it by an Enforcement Authority, nor has Western-UGP accepted any liability, responsibility, or obligation to pay any civil monetary penalties or fines imposed by an Enforcement Authority to which it would not have been subject in the absence of this Tariff."

In order to reflect Western-UGP's status, SPP proposes language that SPP may not concede or accept responsibility for any portion or penalty that could be ascribed to the actions or omissions of Western-UGP by its participation under the Tariff. These requirements are based on Western-UGP's interpretation of its rights and obligations under the statute which is explained in more detail in the testimony of Lloyd Linke.⁸⁵ Section 39.3(m) further provides the steps SPP would take with regard to such penalty or fine. SPP notes that Basin Electric and Heartland are not included in this limitation and are responsible for financial penalties or fines for violations of mandatory reliability standards in the same way as any other SPP Member.

Section 39.4

In order to integrate Basin Electric and Heartland into full SPP membership, SPP proposes a new Section 39.4 to recognize Basin Electric's status as a rural electric cooperative; and address the applicability of the Tariff to rural electric cooperatives. When the Nebraska utilities joined SPP, Section 39.1 was added to the Tariff, explaining the relationship between the jurisdiction of the Commission, the rules and regulations of state utility commissions and the governing board of entities that are not public utilities but are "public power entities." As Mr. David Raatz explains in his testimony,⁸⁶ Basin Electric is not a public utility because it receives

⁸⁵ See Exhibit No. SPP-5, Direct Testimony of Lloyd A. Linke at 4.

⁸⁶ See Exhibit No. SPP-9, Direct Testimony of David Raatz at 5-6.

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 30

financing from the Rural Utilities Service, but it also is not a “public power entity.” Proposed Section 39.4 adopts the same provisions that apply to public power entities for rural electric cooperatives that are not public utilities.

Schedules 7 and 8

In this filing, SPP proposes to add Zone 19 (UMZ) to the list of Zones for purposes of determining charges for firm and non-firm Point-to-Point Transmission Service (“PTP”). The changes to Schedules 7 and 8 are discussed in the testimony of Carl A. Monroe.⁸⁷

Schedule 9

In this filing, SPP proposes to add Zone 19 (UMZ) to the list of Zones for purposes of determining charges due to SPP for the provision of Network Integration Transmission Service (“NITS”). In addition, SPP proposes changes in Section 1 to differentiate the applicability of Schedule 9 to Zones 1 through 18 and Zone 19 when there is more than one Zone interconnected with the Balancing Authority Area. For Zones 1-18, Schedule 9 will apply as currently provided in the Tariff (i.e., the lowest zonal Demand Charge of the interconnected Zones is applicable). For Zone 19, for Network Customers in Zone 19 designating load external to the SPP Region, where there is more than one Zone interconnected with such Balancing Authority Area, the zonal Demand Charge of Zone 19 is applicable. The changes to Schedule 9 are discussed in the attached testimony of Carl A. Monroe.⁸⁸

Schedule 11

In this filing, SPP proposes revisions to Schedule 11. Schedule 11 of the Tariff contains the Base Plan Zonal Charges and the Region-wide Charges paid by transmission customers. The proposed revisions are necessary to apply the Federal Service Exemption established under Section 39.3(e), as described above. Additionally, the revisions to Schedule 11 delineate how the IS Parties will enter into regional cost sharing under the Highway-Byway cost allocation methodology.⁸⁹

Under the proposed changes, Western-UGP would be exempt from Schedule 11 Region-wide Charges for delivery of its Federal Power-Western-UGP resources to its Statutory Load Obligations. As explained in the testimony of Jody Sundsted,

⁸⁷ See Exhibit No. SPP-3, Prepared Direct Testimony of Carl A. Monroe at 20.

⁸⁸ *Id.* at 19-20.

⁸⁹ The Commission approved SPP’s Highway-Byway cost allocation methodology in Docket No. ER10-1069-000. See *Sw. Power Pool, Inc.*, 131 FERC ¶ 61,252 (2010).

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 31

Western-UGP will not rely on the transmission facilities in other zones to serve its Statutory Load Obligations from its own hydropower resources because it has already constructed sufficient transmission resources and has sufficient transmission capacity within the IS to meet those obligations, and its Statutory Load Obligations and its resources to market are basically static.⁹⁰ Western-UGP will pay regional Schedule 11 charges for any deliveries of power to loads other than its Statutory Load obligations and for any deliveries of power from resources other than its own hydropower resources. Western-UGP is responsible for its share of Schedule 11 Zonal charges. The Federal Service Exemption will not apply to Basin Electric or Heartland or any other entity embedded within Zone 19 nor will it apply to Western-UGP's marketing activities in the Integrated Marketplace to either purchase or sell energy.

The IS Parties and SPP will begin regional cost sharing for projects having a "need-by date" on or after October 1, 2015 (the date of integration). SPP's proposal for regional cost sharing by the IS Parties is consistent with how other SPP members entered into regional cost sharing under the SPP Tariff. When SPP first began regional cost sharing through Base Plan Funding, its Members regionally shared costs on a going-forward basis for new transmission facilities receiving notifications to construct on or after June 19, 2010.⁹¹ In other words, a SPP Member's legacy transmission facilities were not eligible for regional cost sharing, nor were new construction projects with a need-by date prior to the implementation of regional cost sharing.⁹²

SPP has applied this same philosophy to the proposed integration of the IS Parties. The IS Parties' existing legacy system, as well as any planned facilities with a need-by date prior to October 1, 2015, will continue to be fully funded by the IS Parties. SPP Members will not regionally share the costs for these existing facilities. Likewise, existing facilities constructed by SPP Members and those planned facilities with a need-by date prior to October 1, 2015, will be fully paid for by current SPP Members and not cost-shared with the IS Parties. Regional cost sharing will apply for projects in both the IS and the current SPP footprint with need-by dates that correlate with the proposed date of integration of October 1, 2015.⁹³ The proposed integration date was found by SPP and the IS Parties to be a future date which offered SPP and the IS Parties a reasonable amount of time to seek stakeholder and regulatory

⁹⁰ See Exhibit No. SPP-7, Direct Testimony of Jody S. Sundsted at 6.

⁹¹ See Exhibit No. SPP-3, Prepared Direct Testimony of Carl A. Monroe at 16.

⁹² *Id.*

⁹³ *Id.*

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 32

approvals as necessary, and satisfy all other operational requirements necessary to integrate the IS Parties.⁹⁴

Schedule 12

SPP proposes to revise Section 2 of Schedule 12 to include language to specify that SPP will not assess Schedule 12 charges to transmission service provided to Western-UGP for its Statutory Load Obligations. As the testimony of Jody Sundsted explains, since 18 C.F.R. § 382.201(a) provides that the calculation of the FERC Assessment does not include the costs of regulating the Federal Power Marketing Agencies, it is not appropriate to allocate to Western-UGP a portion of the FERC Assessment.⁹⁵

Attachment H

In Attachment H, SPP proposes to separate Table 2 into two tables: Table 2-A, which specifies the Region-wide Annual Transmission Revenue Requirement (“ATRR”) for Network Upgrades needed prior to October 1, 2015 and Table 2-B which specifies the Region-wide ATRR for Network Upgrades needed on or after October 1, 2015. This change is necessary to implement the regional cost sharing provisions that are discussed above.

Attachment J

a. Section III.A.2

In Section III.A, SPP and the IS Parties propose the addition of transmission projects identified in the new Schedule 2 of Attachment J to be included in the allocation of Base Plan Upgrades costs. The lists of facilities contained in Schedule 2 of Attachment J were determined to be Base Plan Upgrades in a manner consistent with SPP’s original implementation of regional cost sharing.⁹⁶

b. Section V.A

In Section V.A, SPP and the IS Parties propose the addition of a sentence specifying the lump sum payment option for a Sponsored Upgrade is the only option available for a Sponsored Upgrade to be constructed by Western-UGP. This language is necessary due to Western-UGP’s requirement for advance funding described in

⁹⁴ See *id.* at 16-17.

⁹⁵ See Exhibit No. SPP-7, Direct Testimony of Jody S. Sundsted at 27-31.

⁹⁶ See *supra* at Transmittal Letter at Discussion on Schedule 11 on page 30-32.

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 33

new Section 39.3(i) as discussed above and in the testimony of Jody Sundsted and Steven Sanders.⁹⁷

c. Schedule 2 of Attachment J

SPP proposes to include a new Schedule 2 of Attachment J to identify the Base Plan Upgrades specifically designated for cost allocation under Attachment J, Section III.A.2 as described above.

Attachment K

With this filing, SPP and the IS Parties propose a modification to Section I.A of Attachment K to recognize that Transmission Owners must be willing to redispatch their generation resources to relieve system constraints for PTP or NITS. This is an important term directly related to the control of the hydro resources of Western-UGP that are subject to the authority of the Department of the Army or the U.S. Bureau of Reclamation, as described for new Section 39.3(f) above. As developed by the SPP stakeholder process, this modification would apply to all Transmission Owners.

Attachment L, Section II.B.2(h)

Attachment L currently provides in Section II.B.2(f) that revenues collected from network customers for load outside the SPP transmission system under Section 31.3 of the Tariff shall be distributed among Transmission Owners on the same basis as revenues collected for PTP.⁹⁸ This section will not apply to certain revenues collected for network service in the UMZ. Rather, Attachment L will include a new Section II.B.2(h) to provide that for Network Customers in Zone 19 that also serve load located outside the SPP transmission system that is designated prior to October 1, 2015, revenues that SPP collects shall be distributed amongst the Transmission Owners of Zone 19 only. As Lloyd Linke explains in his Direct Testimony⁹⁹, about 25% of the load that is currently served by the IS Parties is located outside the IS (now, Zone 19). The IS Parties constructed the IS to deliver power to the interfaces with the systems where the loads are located, and they will not need to rely on the transmission systems of the other SPP transmission owners to deliver the power to their loads after integration into SPP. Therefore, it is reasonable to allow the IS Parties to continue to recover the revenues from that transmission service. If they are instead required to share those revenues with the other SPP transmission owners, it

⁹⁷ See Exhibit No. SPP-7, Direct Testimony of Jody S. Sundsted at 23-24. See also Exhibit No. SPP-6, Direct Testimony of Steven Sanders at 5-6.

⁹⁸ See Tariff at Attachment L, Section II.B.2(f).

⁹⁹ See Exhibit No. SPP-5, Direct Testimony of Lloyd A. Linke at 8.

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 34

would substantially increase the costs associated with joining SPP since they would recover only a small portion of the revenues from transmission service to 25% of their loads.

Attachment M

a. Section II

SPP proposes to modify Attachment M to recognize Western-UGP's responsibility for loss compensation is subject to the Federal Service Exemption for Statutory Load Obligations identified in Section 39.3(f). Attachment M provides that energy losses for network service are calculated in accordance with the settlement procedures in Attachment AE. As the Federal Service Exemption allows Western-UGP to avoid losses calculated pursuant to Attachment AE, this reference maintains consistency between Attachment M and the Federal Service Exemption.

b. Appendix 1

Revisions to Appendix 1 of Attachment M are proposed to add Western-UGP's loss factors to the Attachment. Such loss factors will be used to calculate Western-UGP's responsibility for real power losses for its Statutory Load Obligations.

Attachment T

An Attachment T rate sheet for Zone 19 is included in the filing for firm and non-firm PTP service. The rates will be set forth in the Revenue Requirements and Rates File ("RRR File").¹⁰⁰ The rate sheet for Zone 19 is structured similarly to the rate sheets for current SPP Members. The proposed Attachment T changes include a placeholder to list the appropriate Addendum in Attachment H as applicable, which will be filed at a later time to incorporate rates for Western-UGP, Basin Electric, and Heartland into the Tariff.

¹⁰⁰ Tariff at R Definitions- "Revenue Requirements and Rates File (RRR File): A file posted on the SPP website as a reference to: (i) Annual Transmission Revenue Requirements (ATRRs) for Network Integration Transmission Service, as referenced in Attachment H to this Tariff; (ii) Base Plan ATRR allocation; (iii) allocation factors for Base Plan funded projects; (iv) notes on the calculation of Base Plan ATRR amounts on a Region-wide and Zonal basis; (v) ATRR reallocation for Balanced Portfolio projects; (vi) the calculation of Base Plan Point-To-Point Transmission Service rates on a Region-wide and Zonal basis in accordance with Schedule 11; and (vii) the rates for Point-To-Point Transmission Service as referenced in Attachment T in accordance with Schedules 7 and 8."

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 35

Attachment V

Attachment V contains the Generator Interconnection Procedures (“GIP”) and *pro forma* Generator Interconnection Agreement (“GIA”) and Interim Generator Interconnection Agreement (“Interim GIA”). The proposed modifications contain revisions to the GIP to recognize Western-UGP’s unique status as a PMA; and include, amongst other things, the incorporation of a *pro forma* Western-UGP Generator Interconnection Agreement (“Western-UGP GIA”) and the Western-UGP Interim Generator Interconnection Agreement (“Western-UGP Interim GIA”) that are designated specifically for Western-UGP. As a result, the Tariff will contain both the currently approved GIA and Interim GIA, and a *pro forma* Western-UGP GIA and Western-UGP Interim GIA to be utilized when Western-UGP is the host Transmission Owner. The proposed changes in the Western-UGP GIA are similar to the modifications Western has proposed and the Commission approved in its various safe harbor tariff filings.¹⁰¹ The following additional modifications are being proposed for Attachment V:

- Minor modifications throughout Attachment V to correct spelling, capitalization and section number references or to reference Federal law as applicable.
- Changes to Definitions
 - Add new definition of “Environmental Review” to recognize Western-UGP’s requirements under NEPA.
 - Add language to definition of GIA to reference proposed Appendix 13 when Western-UGP is a party as the Transmission Owner.
 - Add new definition of Western-UGP.
- Revise Section 2.1.3 to clarify that for a request to interconnect a Small Generating Facility the process identified in Section 14 shall apply, rather than Appendix 11, when Western-UGP is the interconnection Transmission Owner and when the interconnection is subject to completion of the appropriate NEPA Environmental Review.

¹⁰¹ See generally *Western Area Power Administration*, 112 FERC ¶ 61,044 (2005) (Order Conditionally Granting Petition for Declaratory Order); *ISO New England*, 119 FERC ¶ 61,239 (2007) (Order Conditionally Granting Petition for Declaratory Order); *Western Area Power Administration*, 133 FERC ¶ 61,193 (2010) (Order Granting Petition for Declaratory Order).

The Honorable Kimberly D. Bose

September 11, 2014

Page 36

- Add new Section 2.6 to incorporate the provisions of Section 39.3 of the Tariff (as described above) in the event Western-UGP is the Transmission Owner under the agreement.
- Add new Section 3.3.5 to recognize the requirement of a NEPA Environmental Review as described in Section 8.6.1.
- Revise Section 5.2 to provide that when a successor Transmission Owner assumes an effective generation interconnection agreement that requires an operating guide to implement operating restrictions, and no such guide has been completed, then the successor Transmission Provider shall perform a study to determine the operating restrictions on the generating facility.
- Add new Section 8.6.1 to include the process and the application of the Environmental Review when Western-UGP is a party to the interconnection. These procedures are drafted to be consistent with Western-UGP's interpretation of the NEPA requirements. Such requirements include timeframes, estimated costs, and other substantive rights that relate to the Environmental Review and all appropriate agreements.
- Revise Section 9 to recognize that Western-UGP requires advance payments prior to execution of the Engineering and Procurement Agreement.
- Revise Section 11 and 11A to clarify the requirements and process that govern the tender of a draft GIA or draft Interim GIA applicable to transactions involving Western-UGP. Such revisions reference Appendix 13, and recognize the Environmental Review and that no construction activities for Western-UGP's transmission facilities may commence until the NEPA decisional document is released. Any NEPA restrictions shall be set forth in the draft agreements.
- Revise Section 14 (Fast Track Process) which contains a process to fast track an interconnection. Specifically, the changes add new Sections 14.2.1.13 (Initial Review, Screens), 14.2.2, 14.2.4 to define the application of the Environmental Review and NEPA requirements on the GIP's process to fast track an interconnection. Additionally, new Sections 14.3.4 and 14.3.4.1 are being added to define the Environmental Review and Procedures applicable to the fast tracking of interconnection requests. Lastly, Section 14.4.5 is modified to include: "provided however, if the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP, as Transmission Owner, such approval is subject to the completion of the appropriate NEPA level of Environmental Review and

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 37

issuance of the required NEPA decisional document as will be set forth in the GIA pursuant to Section 14.3.4.”

- Changes to the following Appendices to the GIP and attachments to remove the Transmission Owner from requiring signature on the agreement:¹⁰²
 - Appendix 3 (Preliminary System Impact Study Agreement).
 - Appendix 3A (Definitive Interconnection System Impact Study Agreement).
 - Appendix 4 (Interconnection Facilities Study Agreement).
 - Appendix 4A (Limited Operation Interconnection Facilities Study Agreement).
 - Appendix 5 (Interim Availability Interconnection System Impact Study Agreement).
- Revision to Appendix 9 to add the term “regulations” to the listing of the governance requirements for Certification Codes and Standards for interconnection of facilities.
- New Appendix 13 which will contain the *pro forma* Western-UGP GIA. The foundation for the Western-UGP GIA is the current *pro forma* GIA found in Appendix 6. Due to the technical structure of eTariff, the submission of Appendix 13 will appear as all new language in the submitted Tariff sheets. Commission regulations require that non-conforming service agreement filings must contain a marked version of the service agreement’s sheets or sections showing additions and deletions.¹⁰³ Therefore, to assist the Commission in its review process, SPP is attaching a marked version of the GIA to illustrate the sections being revised for the Western-UGP GIA as Exhibit SPP-17.
- New Appendix 14 which will contain the *pro forma* Western-UGP Interim GIA. The foundation for the Western-UGP Interim GIA is the current *pro forma* Interim GIA found in Appendix 8. Due to the technical structure of eTariff, the submission of Appendix 14 will appear as all new language in the submitted Tariff sheets. For the same reasons cited for Appendix 13 above, SPP is attaching a marked version of the Western-UGP Interim GIA to

¹⁰² The proposed changes to the Appendices are not directly related to the IS Parties’ integration, but SPP seeks incorporation of the changes in this filing. SPP performs the system studies identified in this section and therefore, signature by the Transmission Owner is not required.

¹⁰³ See 18 C.F.R. § 35.10(b).

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 38

illustrate the specific sections being revised for the Western-UGP GIA as Exhibit SPP-18.

The revisions to the GIP are necessary to incorporate Western-UGP into SPP's process to interconnect generation resources. The rights and obligations being defined in the GIP for transaction involving Western-UGP are consistent with the changes being proposed for other parts of the Tariff. Additionally, the inclusion of a standardized Western-UGP GIA and a Western-UGP Interim GIA will allow SPP to avoid filing non-conforming agreements every time Western-UGP becomes a party to these agreements.¹⁰⁴ As the Western-UGP specific GIA and Interim GIA will be approved by the Commission as a form of service agreement, SPP may be able to submit all such agreements solely in its Electric Quarterly Report, as required by Commission standards.¹⁰⁵ The result will allow more efficient administration by SPP of the generator interconnection process. Therefore, SPP respectfully requests the Commission to approve the proposed changes to Attachment V, including but not limited to, the Western-UGP GIA and Western-UGP Interim GIA *pro forma* agreements, to be just and reasonable.

Attachment W

Attachment W contains the Tariff's index of GFAs. SPP proposes the inclusion of GFAs for Western-UGP and Basin Electric. Western-UGP has 2 transmission service contracts it wishes to include as a GFA for the length of the contract's term. Basin Electric has one interconnection and transmission cost sharing agreement it wishes to include as a GFA until such agreement is terminated.

Attachment AE

The revisions to Attachment AE define how the Federal Service Exemption will operate within the Integrated Marketplace. SPP has previously filed Tariff revisions necessary to allow Western-UGP to become a Market Participant in the market, which included adding Federal provisions and changes to SPP's credit policy.¹⁰⁶ The Commission approved these Tariff additions,¹⁰⁷ however, these revisions were not designed to accommodate Western-UGP's membership.

¹⁰⁴ SPP recognizes that should the Commission approve a standardized Western-UGP GIA and Western-UGP Interim GIA, future non-conforming terms and conditions negotiated to such agreements will require submission for Commission review and approval.

¹⁰⁵ See 18 C.F.R. § 35.10b.

¹⁰⁶ See Submission of Tariff Revisions to Permit Market Participation by the Western Area Power Administration of Southwest Power Pool, Inc., Docket No. ER14-1204-000 (Jan. 29, 2014).

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 39

The modifications proposed in this filing are designed to facilitate Western-UGP's membership and to provide for the removal of congestion and marginal loss charges from Western-UGP's energy deliveries from its Federal hydropower resources to its Statutory Load Obligation(s). The exemption from congestion and marginal loss charges is only available to Western-UGP's deliveries of Federal Power-Western-UGP to its Statutory Load Obligations and is further limited to transactions associated with deliveries in the UMZ (Zone 19) and will establish a transfer point at the border for Western-UGP's preference customers outside of Zone 19 but inside SPP.

The language includes the provision of physical losses as an offset to the marginal loss uplift that results from the Federal Service Exemption. Physical losses provided under the Federal Service Exemption will be handled through a Western-UGP created "FSE Schedule" from the hydropower resources and SPP will remove the charges associated with congestion and losses.¹⁰⁸ In exchange, Western-UGP will not be eligible to receive Auction Revenue Rights ("ARRs") or Transmission Congestion Rights ("TCRs") that are generally available to transmission customers for their transmission reservations.¹⁰⁹ Similarly, Western-UGP will be excluded from receiving any refund allocations for marginal loss revenue over-collection.¹¹⁰ Western-UGP will pay real power losses for the energy delivered in accordance with Attachment M of the Tariff.¹¹¹

Consistent with the Commission-approved approach for carve outs for GFAs, SPP proposes to calculate credits or charges related to the Federal Service Exemption pursuant to Section 8.5.18 through 8.5.20 of Attachment AE, and to allocate these costs to Western-UGP's non-Federal Service Exemption transactions and to the carve out uplift account.¹¹² The result is that revenues that would have been paid to Western-UGP will offset the marginal loss exemption costs. The testimony of Bruce A. Rew explains in detail the implementation of the Federal Service Exemption in Attachment AE.

¹⁰⁷ See March 14 Letter Order.

¹⁰⁸ See Exhibit No. SPP-4, Prepared Direct Testimony of Bruce A. Rew at 8.

¹⁰⁹ *Id.*

¹¹⁰ *Id.*

¹¹¹ *Id.*

¹¹² *Id.* at 13-14.

The Honorable Kimberly D. Bose
September 11, 2014
Page 40

Attachment AG

SPP proposes to revise Attachment AG to include oversight of the Federal Service Exemption schedules. As revised, Attachment AG authorizes the SPP Market Monitoring Unit (“MMU”) to oversee the Federal Service Exemption schedules and to monitor potential gaming of these schedules. Commission approval of the revisions to Attachment AG will establish the mechanism for the MMU’s oversight of Western-UGP’s participation in the Integrated Marketplace.

Attachment AN

Attachment AN is the *pro forma* agreement between SPP and the participants in the SPP Balancing Authority (“SPP BA”) (“SPP BA Agreement”) that delineates the division of responsibilities, rights and obligations between SPP and the former Balancing Authorities that were consolidated upon the implementation of the Integrated Marketplace. Western-UGP has requested revisions to the SPP BA Agreement necessary to allow Western-UGP to become a signatory under the SPP BA Agreement, and thereby facilitate the integration of the IS Parties into the SPP Balancing Authority footprint.

SPP proposes amendments to Attachment AN that are consistent with the changes proposed to other sections of the Tariff, specifically the proposed revisions to Section 39.3 and the application of Federal law, and to recognize the requirements of Western-UGP as a Federal PMA. The current signatories to the SPP BA Agreement participated in the review and modification of the terms and conditions being filed for the SPP BA Agreement. SPP intends all participants to execute the new agreement upon Commission approval of these proposed modifications of the SPP BA Agreement and full integration of the IS Parties into SPP.

SPP also proposes to modify Appendix A to Attachment AN to include Western-UGP in the list of SPP BA Participants.

Attachment AP

SPP proposes modifications to Attachment AP to reflect Western-UGP’s interpretation of its obligation to pay the costs of penalties that may be assessed against SPP or through the actions of Western-UGP. Specifically, Attachment AP contains the cost allocation for financial penalties or fines assessed against SPP. Under Attachment AP, the distribution of penalties is described for penalties levied against SPP for reliability standard violations by SPP or as a result of a Member’s action. Penalties are distributed either to the footprint as a whole or directly assigned. Each methodology requires a filing under FPA section 205 for Commission approval on a case-by-case basis.

The Honorable Kimberly D. Bose

September 11, 2014

Page 41

Western-UGP maintains that, as a PMA, it is not subject to monetary penalties for violations of mandatory reliability standards that may be imposed on it or for any portion of SPP's allocation of penalty costs due to SPP or Western-UGP violations. Accordingly, SPP proposes to modify Attachment AP to recognize that Western-UGP, by becoming a SPP Member, does not waive or concede any defense it may have against liability for monetary penalties for violations of mandatory reliability standards levied against SPP by an enforcement authority to which it would not be liable except for membership in SPP. This issue is discussed in the testimony of Lloyd Linke.¹¹³ At the same time, SPP does not concede or accept responsibility for any portion of a penalty or fine attributable to Western-UGP. Similar changes are being proposed to other parts of the Tariff (such as Section 39.3(m) discussed above), and in the Bylaws, as described below.

B. Revisions to Bylaws

1. *Description of Revisions*

The IS Parties have requested that SPP amend its Bylaws to increase the size of its Members Committee and the CGC to accommodate participation by the IS Parties. The Members Committee is established by the Bylaws to work with the SPP Board to manage and direct the general business policies of SPP and to provide input regarding all actions pending before the SPP Board. To accommodate the IS Parties' request, Section 5.1 of the Bylaws is proposed to be amended to expand the Members Committee to include a representative from a Federal Power Agency, and a representative from a cooperative. These additional seats are explained in detail in the Direct Testimony of Carl A. Monroe.¹¹⁴

With regards to the CGC,¹¹⁵ SPP proposes to add one additional seat to be filled by a PMA, and a clarification that the formerly-designated seat for a state/Federal power agency shall be re-designated for a representative from a state agency.¹¹⁶ Included in this filing are also changes to the Bylaws regarding the total number of seats on the Members Committee that are not directly related to the IS

¹¹³ See Exhibit No. SPP-5, Direct Testimony of Lloyd A. Linke at 3-6.

¹¹⁴ See Exhibit No. SPP-3, Prepared Direct Testimony of Carl A. Monroe at 28.

¹¹⁵ See *Id.* at 29-30. The CGC is responsible for the overall governance structure for SPP including all corporate duties assigned pursuant to the Bylaws, and for monitoring the composition of the SPP Board to ensure balance and independence.

¹¹⁶ See *Id.* at 30.

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 42

Parties decision to join SPP. These additional seats are explained in detail in the Direct Testimony of Carl A. Monroe at.¹¹⁷

Additionally, SPP proposes the addition of new definitions in Section 1.0 of the Bylaws that are relevant to the IS Parties and consistent with the definitions proposed for the other Governing Documents. The proposed revisions also contain grammatical corrections to ensure Western-UGP is represented correctly. Other minor revisions are proposed to ensure for consistency with the newly defined terms. Also, the Bylaws are being revised to correct other references for consistent use throughout all Governing Documents.

Western-UGP has also requested that SPP propose a new section 8.7.5 to provide for a limitation on financial and penalty obligations for Western-UGP. Section 8.7 generally describes the financial obligations of withdrawing members. The limited liability for financial and penalty obligations included in Section 8.7.5 is consistent with and substantively the provisions contained in Section 39.3(m) and Attachment AP of the Tariff.

The new language provides that Western-UGP shall not be subject to the financial obligations listed in Section 8.7 in the event SPP files and the Commission approves material changes to the Federal Marketing Agency Amendments, as defined in the Bylaws. Such provision allows Western-UGP to withdraw without penalty if SPP or the Commission substantively changes the amendments in a way that would require Western-UGP to violate its statutory obligations as they exist upon integration. These changes have the effect of holding Western-UGP harmless in the event the provisions required for its membership are unilaterally modified to an extent that Western-UGP is not compliant with its statutory obligations. In essence, this provision simply carries through Western-UGP's stated requirements to finality. Basin Electric and Heartland are not included in this limitation and are responsible for financial and penalty obligations in the same way as any other SPP Member.

The changes proposed herein are just and reasonable as they reflect needed representation on SPP's governing bodies to accommodate SPP's growing membership and the diversity of membership within the stakeholder process. With the addition of the IS Parties, SPP's geographic footprint will expand from approximately 48,930 to 58,430 miles of transmission facilities with the addition of the 9,500 miles of the IS Parties.¹¹⁸ The proposed changes to approve the increases of representation on the Members Committee and the CGC were approved by the SPP membership and the SPP Board on June 9, 2014. In light of the purposes underlying the changes to the

¹¹⁷ See *Id.* at 18-29.

¹¹⁸ For an illustration of SPP's footprint before and after integration see Exhibit No. SPP-19.

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 43

Bylaws necessary to accept the IS Parties as SPP Members, SPP requests the Commission to accept the modifications to the Bylaws.

2. *North American Electric Reliability Corporation Approval*

In addition to being a RTO, SPP is a Regional Entity (“RE”) under the North American Electric Reliability Corporation (“NERC”), the Commission-approved ERO.¹¹⁹ Because SPP’s Bylaws are part of SPP’s Delegation Agreement with NERC, revisions to the Bylaws require NERC approval and formal amendment to the Delegation Agreement. Upon NERC approval, the revised Delegation Agreement will be filed by NERC with the Commission. The proposed revisions do not affect SPP’s RE function.

C. *Revisions to Membership Agreement*

In this filing, SPP proposes general revisions to its standard Membership Agreement, as well as Amendments applicable to each IS Party’s Membership Agreement. The Amendments will govern the relationship between SPP and each of the IS Parties and are drafted to include terms and conditions that are specific to each entity. As a PMA, Western-UGP has certain obligations under Federal law that necessitates certain modifications and clarifications to the language of the Membership Agreement. Similarly, the Membership Agreements for Basin Electric and Heartland have specific amendments based upon their status as a rural electric cooperative and a political subdivision of a state, respectively, that are not subject to direct Commission jurisdiction. The majority of the proposed changes are intended to conform to proposed changes in the other Governing Documents (Definitions, references to “Federal,” etc.); other revisions are specific to the Membership Agreement. Each will be described below.

1. *Western-UGP Membership Agreement Amendments*

Western-UGP has requested that certain amendments be appended to its Membership Agreement. The requested amendments contain specific terms governing the relationship between SPP and Western-UGP. These changes largely mirror similar suggested additions to the Tariff. Western-UGP has stated that inclusion of these terms without material modification is a condition upon which it can sign the Membership Agreement and participate as a Member in SPP. Accordingly, the following provisions are being proposed for attachment to the Western-UGP Membership Agreement:

¹¹⁹ *N. Am. Elec. Reliability Corp.*, 119 FERC ¶ 61,060, order on reh’g, 120 FERC ¶ 61,260 (2007).

The Honorable Kimberly D. Bose

September 11, 2014

Page 44

- Section A1.1 recognizes that participation by Western-UGP is subject to the Acts of Congress and the regulations of the Department of Energy, including an arbitration clause that exempts Western-UGP from binding arbitration. In the event of conflicting terms, the terms of Section A1.1 shall control.
- Section A1.2 generally defines and describes information related to the Federal Service Exemption and mirrors Tariff changes in 39.3(e). The description of the Federal Service Exemption contained in this section is consistent in all respects with the provisions of the Tariff. The section further provides references to the foundational statutory authorities governing Western-UGP's requirements.
 - Section A1.2.1 provides Western-UGP the right to be exempt from Schedule 11 Region-wide charges related to facilities used to satisfy Western-UGP's Statutory Load Obligations.
 - Section A1.2.2 provides Western-UGP the right to be exempt from SPP congestion and marginal loss charges for deliveries of Federal power from Federal hydro resources to Western-UGP's Statutory Load Obligations.
- Section A1.3 recognizes the amendments to the Governing Documents as necessary to allow Western-UGP to join SPP and provide transmission service under the Tariff. The section also recognizes the importance of the oversight and monitoring requirements pursuant to Section 1232 of EPAct 2005. This section provides the terms relevant to Western-UGP's oversight and monitoring of SPP's performance to satisfy those requirements.
- Section A1.4 provides that Western-UGP's activities are contingent on appropriations by Congress. Western-UGP is released from contractual obligations to the extent Congress fails to make such appropriations.
- Section A1.5 contains Federal requirements that are contained in government contracts. Such requirements include equal opportunity employment practices, work hours and safety, and use of convict labor. These provisions are substantively similar to the provisions contained in Section 39.3 as described above. Including these terms in the Tariff has been previously approved by the Commission.¹²⁰ Section A1.6 is substantively similar to the provision of Section 39.3(f) described above.

¹²⁰

See March 14 Letter Order.

The Honorable Kimberly D. Bose

September 11, 2014

Page 45

The term recognizes the U.S. Department of the Army's Corps of Engineers or the Bureau of Reclamation as the owner of the generation facilities Western-UGP utilizes to serve its statutory load obligations.

- Section A1.7 sets forth the agreement between SPP and Western-UGP regarding transmission expansion or interconnects and any modifications or additions to such facilities and mirrors the concepts addressed in changes to the Tariff related to Attachment V. Western-UGP must comply with various environmental and natural resource laws regulating the construction, operation and maintenance of its transmission facilities, including but not limited to the National Historic Preservation Act, 16 U.S.C. § 470 to 470x-6, the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321-4347 ("NEPA"), the Endangered Species Act, 16 U.S.C. §§ 1531-1544, and the Archaeological Resources Protection Act of 1979, 16 U.S.C. § 470aa-470mm (2006); and regulations, and executive orders implementing these laws, as they may be amended or supplemented, as well as any other existing or subsequent applicable laws, regulations and executive orders.

- Section A1.8 provides that payments due by Western-UGP and SPP to each other may be offset by a net billing procedure. The section specifically provides:

For services included in net billing procedures, payments due one Party in any month shall be offset against payments due the other Party in such month, and the resulting net balance shall be paid to the Party in whose favor such balance exists. The Parties shall exchange such reports and information that either Party requires for billing purposes. Net billing shall not be used for any amounts due which are in dispute.

- Section A1.9 provides that payment by SPP to Western-UGP may be directed to a third party at the request of Western-UGP. All transactions of this nature must be in writing and Western-UGP shall credit SPP for the amount paid as if payment had been made directly to Western-UGP. The purpose of this section is to maintain with SPP the current financing mechanism Western-UGP currently employs in most of its bi-lateral contracts which provide for directing payments owed to Western-UGP to other entities to which Western-UGP owes a payment.
- Section A1.10 describes the agreement between SPP and Western-UGP regarding termination of membership in the event certain contingencies occur. Under this provision, Western-UGP may terminate its membership with less than the advance notice required by Section 4.2.2 of the

The Honorable Kimberly D. Bose

September 11, 2014

Page 46

Membership Agreement and Western-UGP shall not be required to pay an exit fee or any other financial obligation that would normally attach to a withdrawing SPP Member. The contingencies are limited to situations where the Commission finds SPP has not adhered to these amendments or if SPP unilaterally files and the Commission approves material changes to these amendments. In such event SPP and Western-UGP agree to work together to facilitate withdrawal. Additionally, since Western-UGP is not responsible for paying facility expansion costs under Schedule 11 while a member of SPP, the logical extension is to also exclude them from payment of facility expansion costs under Schedule 11 Region-Wide charges for costs associated with past, present, or future transmission construction projects under the Tariff upon withdrawal.

- Section A1.11 contains a clause that outlines Western-UGP's position on enforcement authority actions or any financial penalties that may result from such action. These terms correspond with the terms of the substantially identical Section 39.3(m) and the Bylaws described above.
- Section A2 provides that these terms are not considered severable from the other terms of Western-UGP's Membership Agreement. As they are not severable, any determination that one section is void nullifies all remaining provisions.

Commission approval of these amendments for the Western-UGP is just and reasonable because they are consistent with the terms in the other Governing Documents, and Western-UGP has requested these modifications based on its interpretation of its statutory requirements and obligations under Federal law. Commission approval of the Federal Service Exemption, or any other corresponding term, under the Tariff or Bylaws would warrant approval of the terms' inclusion in the Western-UGP Membership Agreement.

2. *Basin Electric and Heartland Membership Agreement Amendments*

Basin Electric and Heartland have requested substantially identical terms to amend their respective Membership Agreements. For purposes of efficiency, this transmittal letter describes the changes for both entities collectively. The proposed accommodations requested by Basin Electric and Heartland to allow membership and participation in SPP are in three distinct areas: resolution of disputes, withdrawal rights, and obligation to construct facilities.

Section A1 provides that dispute resolution under the Membership Agreement or Bylaws relating to Basin Electric/Heartland's actions may be subject to binding arbitration under Section 3.13 of the Bylaws only with the consent of the Basin Electric/Heartland board of directors and subject to conditions that the board of directors may impose.

The Honorable Kimberly D. Bose
September 11, 2014
Page 47

Section A2 provides that Basin Electric and Heartland may terminate their respective Memberships with less than the notice required by Section 4.2.2 of the Membership Agreement if certain conditions exist. Those conditions include: (1) Western-UGP withdraws from SPP; or (2) the Commission finds that SPP has not adhered to all of the amendments required by Western-UGP and Basin Electric/Heartland; or (3) SPP files and the Commission approves one or more changes to the amendments without consent that have material adverse effects on Basin Electric/Heartland. However, Basin Electric and Heartland are subject to financial withdrawal obligations calculated pursuant to § 4.3 (Obligations Upon Termination) of the Membership Agreement.

Section A3 provides that Basin Electric/Heartland's obligation to construct transmission facilities is subject to the discretionary authority of their respective boards of directors; however, such respective boards will not supplant any state regulatory authority over siting activities under state law. These changes are necessary from Basin Electric's perspective to preserve the ability of the Basin Board of Directors to supervise and control the construction costs on behalf of Basin Electric's consumer members.

Basin Electric and Heartland have requested modification in three narrowly focused areas. As these entities' facilities are completely integrated with those of Western-UGP, and both entities are non-public utilities under the FPA, it reasonably follows that their membership obligations in these areas are dependent on Western-UGP's ability to sustain membership. However, as Basin Electric and Heartland are not Federal entities, it is reasonable to subject them to withdrawal obligations in the event membership is terminated that are similar to those of other SPP Members. Basin Electric and Heartland have stated that these modifications to the Membership Agreement are consistent with their obligations under state law, and will allow them to join SPP and participate under the Tariff. For those reasons, SPP requests the Commission approve the accommodations being proposed for the Membership Agreements for Basin Electric and Heartland.

D. Other Filings

The Commission is respectfully advised that further filings will be forthcoming during the process to transition the IS Parties to SPP Members and transmission service under the Tariff. SPP anticipates submitting Service Agreements and filings of Basin Electric's and Heartland's ATRRs for Commission review and acceptance in the near future; as well as an ATRR for Western-UGP that is developed and put forth for Commission approval consistent with Delegation Order No. 00-037.00A and its implementing regulations. SPP and the IS Parties are currently doing their due diligence to prepare for the integration of the IS Parties into the SPP region, and the Service Agreement and ATRR filings are important steps that SPP looks forward to submitting to the Commission in accordance with its regulations.

The Honorable Kimberly D. Bose
 September 11, 2014
 Page 48

Additionally, a stand-alone agreement is being negotiated that will allow SPP to provide Tariff-related services and related functions for a portion of Western-UGP's and portion of Basin Electric's transmission facilities that are located in the Western Interconnection.¹²¹ The Tariff revisions proposed herein are to govern the IS Parties' transmission facilities electrically located in the Eastern Interconnection. The IS Parties' transmission facilities in the Eastern and Western Interconnections are linked via a Direct Current (DC) tie, as is standard for the interconnections between these major portions of the bulk electric system. SPP and the IS Parties anticipate that the aforementioned agreement will be structured similarly to the SPP-Southwestern Tariff Services Agreement, which is included in the Tariff as Attachment AD.¹²² As with that agreement, SPP intends to file the agreement between SPP and the IS Parties for Western Interconnection facilities for Commission review and approval once the agreement is finalized.

V. SUMMARY

In summary, each IS Party seeks to become a Member of SPP upon Commission approval of this filing, and to transfer functional control of its transmission facilities to SPP and begin participating in the Integrated Marketplace on October 1, 2015. The proposed revisions to the Governing Documents presented in this instant filing accomplish that end. Western-UGP has approved the proposed revisions as sufficient to allow it to fulfill its statutory requirement under Federal law and allow its participation in SPP. Basin Electric and Heartland similarly agree the proposed revisions included herein will allow their participation in SPP and satisfy the conditions and requirements placed on them. Membership of the IS Parties in the RTO is consistent with Commission policy; and because current SPP Members will receive substantial benefits from the IS Parties' Membership, the proposed revisions to the Governing Documents are in the public interest. Therefore, SPP requests that the proposed revisions to the Governing Documents be approved without material modification. Accordingly, SPP submits this filing and requests that the Commission accept them for filing.

VI. EFFECTIVE DATES/REQUEST FOR WAIVER

SPP requests that the Commission accept the following effective dates for the proposed revisions: (1) October 1, 2015 for the proposed Tariff revisions; and (2) November 10, 2014 for the proposed revisions to the Bylaws and Membership Agreement.

¹²¹ See Exhibit No. SPP-3, Prepared Direct Testimony of Carl A. Monroe at 26.

¹²² See *supra* at n. 10.

The Honorable Kimberly D. Bose

September 11, 2014

Page 49

The effective date proposed for the Tariff revisions is more than 120 days after the submission of this filing and therefore SPP requests waiver of the Commission's notice requirements.¹²³ Good cause exists to allow the proposed revisions to be effective on the date requested in accordance with the Commission's waiver of notice requirement codified in Section 35.11 of the Commission's regulations, 18 C.F.R. § 35.11 because the process of achieving integration is complex, and it will take a substantial amount of time after Commission acceptance of the proposed revisions to implement the steps necessary to integrate the IS Parties into SPP. The IS Parties and SPP intend to effectuate full integration into SPP on October 1, 2015, and therefore it is appropriate for the Tariff revisions to become effective that day. SPP requests the Commission issue an order by 60 days from this filing to allow SPP sufficient time to make any necessary compliance and perform the steps necessary to integrate the IS Parties into full SPP membership.

VII. ADDITIONAL INFORMATION

A. Documents Submitted with this Filing:

In addition to this transmittal letter, the following documents are included with this filing:

Clean and Redline Tariff revisions under the Sixth Revised Volume No. 1

The following Exhibits:

SPP-1	Table Listing Tariff Sections Revised in This Filing
SPP-2	Table Listing Bylaws and Membership Agreement Sections Revised in This Filing
SPP-3	Prepared Direct Testimony of Carl A. Monroe
SPP-4	Prepared Direct Testimony of Bruce A. Rew
SPP-5	Direct Testimony of Lloyd A. Linke
SPP-6	Direct Testimony of Steven Sanders
SPP-7	Direct Testimony of Jody S. Sundsted
SPP-8	Direct Testimony of Michael Risan

¹²³ See 18 C.F.R. § 35.3 at (a) (1).

The Honorable Kimberly D. Bose

September 11, 2014

Page 50

SPP-9	Direct Testimony of David Raatz
SPP-10	Direct Testimony of John Knofczynski
SPP-11	Mark A. Gabriel Letter Dated January 9, 2014
SPP-12	Heartland Consumers Power District's Board Resolution
SPP-13	Basin Electric Power Cooperative's Board Resolutions
SPP-14	Membership Agreement Signature Page and Amendments to SPP Membership Agreement for the Western Area Power Administration – Upper Great Plains Region
SPP-15	Membership Agreement Signature Page and Amendments to SPP Membership Agreement for Basin Electric Power Cooperative
SPP-16	Membership Agreement Signature Page and Amendments to SPP Membership Agreement for Heartland Consumers Power District
SPP-17	Illustrative Exhibit Showing Differences in Attachment V Appendix 13 – Western-UGP's GIA versus SPP's <i>Pro forma</i> GIA
SPP-18	Illustrative Exhibit Showing Differences in Attachment V Appendix 14 – Western-UGP's Interim GIA versus SPP's <i>Pro forma</i> Interim GIA
SPP-19	Maps Showing SPP's Current Footprint and SPP's Footprint with the Integrated System

B. Service:

SPP has electronically served a copy of this filing on all its Members, Customers, and Market Participants. A complete copy of this filing will be posted on the SPP web site, www.spp.org, and is also being served on all affected state commissions.

C. Requisite Agreement:

These revisions to the SPP Tariff do not require any contracts or agreements, other than as described herein.

The Honorable Kimberly D. Bose
September 11, 2014
Page 51

D. Communications

Correspondence and communications with respect to this filing should be sent to, and SPP requests the Secretary to include on the official service list, the following:

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The Honorable Kimberly D. Bose
September 11, 2014
Page 52

VIII. CONCLUSION

For all of the foregoing reasons, SPP respectfully requests that the Commission accept the revisions to the Governing Documents proposed herein as just and reasonable, and with the effective dates as discussed above.

Respectfully submitted,

/s/ Matthew Harward

Matthew Harward

Mike Riley

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Telephone: (501) 614-3560

mharward@spp.org

**Attorneys for
Southwest Power Pool, Inc.**

Exhibit No. SPP-1

Table Listing Tariff Sections Revised in This Filing

Table Listing Tariff Sections Revised in This Filing

Exhibit No. SPP-1

Page 1 of 1

Table of Contents	Revised
Article I	
Definitions B	Revised
Definitions E	Revised
Definitions F	Revised
Definitions G	Revised
Definitions R	Revised
Definitions S	Revised
Definitions U	Revised
Definitions W	Revised
Article III	
Network Integration Transmission Service	Revised
Article IV	
Section 39.3	Revised
Section 39.4	New
Schedule 7	Revised
Schedule 8	Revised
Schedule 9	Revised
Schedule 11	Revised
Schedule 12	Revised
Attachment H	Revised
Attachment J Section III	Revised
Attachment J Section V	Revised
Attachment J Schedule 2	New
Attachment K Section I	Revised
Attachment L Section II	Revised
Attachment M	Revised
Attachment M Appendix 1	Revised
Attachment T Upper Missouri Zone	New
Attachment V Section 1	Revised
Attachment V Section 2	Revised
Attachment V Section 3	Revised
Attachment V Section 5	Revised

Attachment V Section 8	Revised
Attachment V Section 9	Revised
Attachment V Section 11	Revised
Attachment V Section 11A	Revised
Attachment V Section 13	Revised
Attachment V Section 14	Revised
Attachment V Appendix 3	Revised
Attachment V Appendix 3A	Revised
Attachment V Appendix 4	Revised
Attachment V Appendix 4A	Revised
Attachment V Appendix 5	Revised
Attachment V Appendix 9	Revised
Attachment V Appendix 13	New
Attachment V Appendix 14	New
Attachment W	Revised
Attachment AE (MPL) Section 1.1 F	Revised
Attachment AE (MPL) Section 2.2	Revised
Attachment AE (MPL) Section 7	Revised
Attachment AE (MPL) Section 8.2	Revised
Attachment AE (MPL) Section 8.2.3	New
Attachment AE (MPL) Section 8.5.16	Revised
Attachment AE (MPL) Section 8.5.18	Revised
Attachment AE (MPL) Section 8.5.19	Revised
Attachment AE (MPL) Section 8.5.20	Revised
Attachment AE (MPL) Section 8.5.21	Revised
Attachment AE (MPL) Section 8.5.22	Revised
Attachment AE (MPL) Section 8.5.23	Revised
Attachment AE (MPL) Section 8.9	Revised
Attachment AE (MPL) Section 10.1	Revised
Attachment AG Section 4.0	Revised
Attachment AN	Revised
Attachment AN Appendix A	Revised
Attachment AP	Revised

Exhibit No. SPP-2

Table Listing Bylaws and Membership Agreement

Sections Revised in This Filing

Table Listing Bylaws and Membership Agreement Sections Revised in This Filing

Exhibit No. SPP-2

Page 1 of 1

Bylaws	
1.0 Definitions	Revised
2.1 Qualifications	Revised
3.15 Liability, Insurance and Indemnification	Revised
5.1 Members Committee	Revised
6.6 Corporate Governance Committee	Revised
8.7 Financial Obligations of Withdrawing Members	Revised
10.0 Amendments To These Bylaws, The Articles Of Incorporation, And Membership Agreement	Revised
Membership Agreement	
Table of Contents	Revised
1.0 Definitions	Revised
2.1 Operation and Planning	Revised
2.4 Additional Obligations of SPP	Revised
3.0 Commitments, Rights, Powers, and Obligations of Member	Revised
3.3 Construction	Revised
3.10 Pricing	Revised
3.11 No Waiver of Jurisdictional Immunity	Revised
3.12 Compliance with Federal or State Law	Revised
4.1 Events of Termination and Partial Termination	Revised
4.2 Termination Procedures and Effective Dates	Revised
4.3 Obligations Upon Termination	Revised
5.1 Regulatory and Other Authorities	Revised
5.2 Tax Authorities	Revised
5.3 Effectiveness as to Certain Members	Revised
8.1 Governing Law	Revised
8.2 Successors and Assigns	Revised
8.4 Severability	Revised
8.6 Representations and Warranties	Revised
8.10 Good Faith Efforts	Revised

Exhibit No. SPP-3

Prepared Direct Testimony of Carl A. Monroe

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

SOUTHWEST POWER POOL, INC.

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Docket No. ER14-____-000

PREPARED DIRECT TESTIMONY

OF

**CARL A. MONROE
EXECUTIVE VICE PRESIDENT AND CHIEF OPERATING OFFICER
SOUTHWEST POWER POOL, INC.**

ON BEHALF OF SOUTHWEST POWER POOL, INC.

SEPTEMBER 11, 2014

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

SOUTHWEST POWER POOL, INC.

)

Docket No. ER14-____-000

PREPARED DIRECT TESTIMONY

OF

CARL A. MONROE

I. INTRODUCTION

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 **A.** My name is Carl A. Monroe. My business address is 201 Worthen Drive, Little Rock,
3 AR 72223.

4 **Q. BY WHOM AND IN WHAT CAPACITY ARE YOU EMPLOYED?**

5 **A.** I am employed by Southwest Power Pool, Inc. (“SPP”) as Executive Vice President and
6 Chief Operating Officer (“COO”).

7 **Q. WHAT ARE YOUR DUTIES AND RESPONSIBILITIES IN YOUR CURRENT**
8 **POSITION?**

9 **A.** I am responsible for the implementation and management of a regional operations center
10 (including security operations); for regional transmission tariff administration for the SPP
11 Open Access Transmission Tariff (“OATT” or “Tariff”); for oversight of engineering,
12 information technology, and interregional affairs; and for the development, analysis, and

1 operation of all markets. I also oversee staff support for all SPP technical organizational
2 groups.

3 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL AND PROFESSIONAL**
4 **BACKGROUND.**

5 **A.** I earned a Bachelor's Degree in Electrical Engineering from Auburn University. Prior to
6 being named Executive Vice President and COO of SPP, I served as SPP's Vice
7 President of Operations and, before that, as Director of Operations and Manager of
8 Information Technology. I was previously employed by Entergy Corporation and Union
9 Electric (d/b/a Ameren) in various management, engineering and operations positions. I
10 am a professional engineer registered in the State of Missouri.

11 **Q. PLEASE GIVE A BRIEF SUMMARY OF SPP'S ORGANIZATION AND**
12 **OPERATIONS.**

13 **A.** SPP came into existence in 1941, when eleven companies joined together voluntarily to
14 serve critical national defense needs during World War II. When the war ended in 1945,
15 SPP's Executive Committee decided the organization should be retained to further the
16 benefits of the coordinated operation of their electric systems. As a result of the
17 Northeast power interruption in late 1965, a number of reliability councils were
18 organized. In 1968, SPP joined with twelve other entities to form the National Electric
19 Reliability Council, now known as the North American Electric Reliability Corporation
20 ("NERC"). SPP incorporated as a non-profit corporation in 1994.

21 SPP is a Federal Energy Regulatory Commission ("FERC" or "Commission") approved
22 Regional Transmission Organization ("RTO"). It is an Arkansas non-profit corporation

1 with its principal place of business in Little Rock, Arkansas. SPP currently has 76
2 members in nine states and serves more than 6 million households in a 370,000 square-
3 mile area. SPP's members include 14 investor-owned utilities, 11 municipal systems, 13
4 generation and transmission cooperatives, 5 state agencies, 11 independent power
5 producers, 12 power marketers and 10 independent transmission companies. SPP, in its
6 role as an RTO, currently administers transmission service over 48,000 miles of
7 transmission lines covering portions of Arkansas, Kansas, Louisiana, Missouri, Nebraska,
8 New Mexico, Oklahoma, and Texas. These services include reliability coordination,
9 tariff administration, regional scheduling, transmission expansion planning, market
10 operations, compliance, and training.

11 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

12 **A.** I am submitting this testimony to: (1) provide an overview of the changes to the SPP
13 Tariff, as well as to the SPP Membership Agreement and SPP Bylaws ("Governing
14 Documents") that SPP is proposing in light of Basin Electric Power Cooperative ("Basin
15 Electric"), Western Area Power Administration – Upper Great Plains Region, a Federal
16 power marketing agency ("PMA") ("Western-UGP"), and Heartland Consumers Power
17 District ("Heartland", and collectively, with Basin Electric and Western-UGP, the "IS
18 Parties") joining SPP as Transmission Owning Members; (2) describe the background
19 and context of the activities SPP has undertaken with respect to the IS Parties joining
20 SPP; (3) explain the benefits of the IS Parties joining SPP that current SPP members have
21 recognized which manifested in stakeholder approval of this filing; and (4) briefly
22 introduce an arrangement for SPP to provide certain services for the administration of
23 limited facilities owned by the IS Parties in the Western Interconnection. The Integrated

1 System (“IS”) geography includes: North and South Dakota; portions of Iowa,
2 Minnesota, and Nebraska; and through a Direct Current (“DC”) connection with the
3 Western Interconnection, facilities in Montana. The IS Parties would represent an
4 approximately 12% load ratio share of the combined SPP and IS footprint.

5 **Q. PLEASE IDENTIFY THE PORTIONS OF THE SPP TARIFF THAT SPP**
6 **PROPOSES TO AMEND.**

7 **A.** There are proposed changes to the Tariff in Articles I, III, and IV, Schedules 7, 8, 9, 11
8 and 12, Attachments H, J, K, L, M, T, V, W, AE, AG, AN and AP. There are also
9 proposed changes to the Governing Documents. A complete list of all sections containing
10 proposed changes to the SPP Tariff and Governing Documents can be found in Exhibit
11 Nos. SPP-1 and SPP-2 to this filing.

12 In addition to this filing, on or about December 1, 2014, SPP will submit for Commission
13 acceptance a non-conforming Network Integration Transmission Service Agreement and
14 Network Operating Agreement for each IS Party. On or about April 1, 2015, SPP will
15 submit for Commission acceptance Annual Transmission Revenue Requirements
16 (“ATRR”) associated with the transmission facilities of Western-UGP, Basin Electric and
17 Heartland.

18 **Q. WHO ARE THE OTHER WITNESSES PROVIDING PREPARED DIRECT**
19 **TESTIMONY IN SUPPORT OF THE PROPOSED CHANGES TO THE SPP**
20 **OPEN ACCESS TRANSMISSION TARIFF AND GOVERNING DOCUMENTS?**

1 **A.** The other witnesses who have provided prepared direct testimony are Bruce Rew, John
2 Knofczynski, Michael Risan, David Raatz, Lloyd Linke, Jody Sundsted, and Steven
3 Sanders.

4 **II. IS PARTIES' INTEREST IN SPP MEMBERSHIP AND SPP STAKEHOLDER**
5 **PROCESS**

6 **Q. CAN YOU BRIEFLY EXPLAIN HOW THE IS PARTIES BECAME**
7 **INTERESTED IN SPP MEMBERSHIP?**

8 **A.** SPP's relationship with the IS Parties has evolved over the last several years. Western-
9 UGP has participated in the SPP Reserve Sharing Group ("RSG") since December, 2009.
10 In April 2012, SPP and Western-UGP, on behalf of the entire IS, developed, and filed
11 with FERC, a Joint Operating Agreement ("JOA") to improve coordinated operations,
12 congestion management, and planning across the seam.¹ Western-UGP became a Market
13 Participant in SPP effective April 1, 2014. Western-UGP participated in the SPP
14 organizational groups as they designed and developed protocols for the Integrated
15 Marketplace which provided Western-UGP with a deeper understanding of SPP market
16 operations prior to making its decision to join SPP.

17 In September, 2012, the IS Parties engaged The Brattle Group to conduct an analysis
18 ("Brattle Study") to determine which was the preferred RTO to join, either SPP or the
19 Midcontinent Independent System Operator, Inc. ("MISO"). SPP staff had extensive

¹ See Submission of Joint Operating Agreement Between Southwest Power Pool, Inc. and Western Area Power Administration of Southwest Power Pool, Inc., Docket ER12-1586-000 (Apr. 20, 2012). FERC conditionally accepted the JOA on September 18, 2012 (*See Sw. Power Pool, Inc.*, 140 FERC ¶ 61,199 (2012)). SPP submitted its compliance filing on October 18, 2012 (*See Compliance Filing Revising Joint Operating Agreement of Southwest Power Pool, Inc.*, Docket No. ER12-1586-002 (Oct. 18, 2012)).

1 discussions with the IS Parties and The Brattle Group and provided information about
2 SPP, including the design of the Integrated Marketplace. This analysis was completed by
3 The Brattle Group in March, 2013.

4 On September 20, 2013, and on October 16, 2013, respectively, SPP entered into
5 Memorandums of Understanding with Basin Electric and Heartland that formalized the
6 commitment to investigate membership in SPP and committed SPP to provide
7 information necessary for a complete evaluation of the potential costs and benefits of SPP
8 membership. On November 1, 2013, Western-UGP published a notice in the Federal
9 Register of its recommendation to pursue membership in SPP, and on January 10, 2014,
10 the Administrator for Western Area Power Administration issued a press release
11 announcing his authorization for staff to pursue formal negotiations with SPP for official
12 membership. In April 2013, Basin Electric's Board of Directors authorized the Basin
13 Electric staff to support Western-UGP in its federal process to join SPP and to negotiate
14 terms and conditions of joining with SPP as a Transmission Owning Member.

15 **Q. PLEASE DESCRIBE THE STAKEHOLDER PROCESS SPP USED TO**
16 **EVALUATE THE PROPOSED MEMBERSHIP.**

17 **A.** In 2011, the SPP Strategic Planning Committee ("SPC"), began discussing the possible
18 membership of the IS Parties, based on the agreed-to process for new member interest.
19 As a result, the SPC formed a group of SPP members in September 2012 to assist SPP
20 staff and to provide a forum for Member input on any discussions with the IS Parties
21 regarding membership in SPP. Included in subsequent SPC meetings were reports by
22 SPP staff on the meetings of the small group of members of the SPC and any other

1 meetings between the SPP staff and the IS Parties. During these meetings the SPC gave
2 Member input on the IS's potential integration into SPP. Also, preliminary reports on the
3 costs and benefits of the IS Parties joining SPP were presented. Some of the discussions
4 included the issues that would need to be resolved in order to integrate the IS Parties into
5 the SPP Tariff and Governing Documents. The Regional State Committee ("RSC") was
6 informed of the IS Parties' interest in joining SPP in July 2013 and again in October
7 2013. The members of the RSC were notified via email about the Western-UGP's
8 November 1st announcement on November 3, 2013. This subject was also presented and
9 discussed at meetings of the RSC on January 27, 2014, March 6, 2014, April 4, 2014,
10 April 28, 2014 and May 27, 2014.

11 Subsequent to the announcement by the IS Parties of their intent to pursue membership in
12 SPP, SPP had a number of meetings with its stakeholders to consider and discuss the IS
13 Parties' potential membership, which included the following:

14 A Stakeholder meeting on February 24, 2014 solely for the purpose of
15 considering the IS Parties' membership;

16 Regional Tariff Working Group meetings on February 20, 2014,
17 March 27, 2014, April 23-24, 2014, May 8, 2014, May 14, 2014, and
18 May 21-23, 2014;

19 Process Improvement Tariff Task Force meetings on March 12, 2014,
20 March 18, 2014, April 9, 2014, April 30, 2014, May 6, 2014, and May
21 13, 2014;

22 Corporate Governance Committee ("CGC") meetings on February 27,
23 2014, March 31, 2014, April 11, 2014, and May 1, 2014;

24 Cost Allocation Working Group meetings on April 2, 2014, and May
25 8, 2014; and

26 Strategic Planning Committee Meetings on January 16, 2014, and
27 April 16, 2014.

1 The proposed changes to the Tariff and the Governing Documents were presented to the
2 Markets and Operation Policy Committee (“MOPC”) on June 2, 2014 and were approved
3 with only one “no” vote and six abstentions. On June 9, 2014, the SPP Board of
4 Directors (“SPP Board”) approved the same.

5 **Q. AS PART OF THE STAKEHOLDER PROCESS, DID SPP PERFORM ANY**
6 **STUDIES?**

7 **A.** Yes. SPP has analyzed both the reliability and economic impacts of the IS Parties joining
8 SPP. A study was performed by SPP staff with direction and input from the
9 Transmission Working Group (“TWG”), which SPP has referred to as the TWG Study.
10 The TWG Study was used to evaluate the reliability impacts of the IS Parties joining
11 SPP. SPP also performed cost benefit analysis of the impacts on Members, which
12 considered the impacts on the SPP Tariff’s Schedules 1, 1-A, 7, 8 and 11, Reserve
13 Sharing Group (“RSG”) benefits, and Integrated Marketplace Benefits. This analysis is
14 discussed further in Section III, herein.

15 **Q. PLEASE DESCRIBE THE TWG STUDY.**

16 **A.** As an RTO, ensuring reliability is SPP’s priority. The TWG Study was intended to be a
17 reliability analysis of the IS Parties’ current and planned transmission system and to
18 establish the timing of the IS Parties’ planned transmission projects. The analysis was
19 performed using the same base case powerflow models and assumptions that were
20 developed through the stakeholder process for the 2013 Integrated Transmission Plan
21 (“ITP”)-Near Term assessment. The models which had already been vetted and approved
22 by SPP stakeholders were provided to the IS Parties for their review and input similar to

the review process provided to all SPP stakeholders. Next, SPP conducted a reliability analysis to assess the IS System for potential NERC Transmission Planning (“TPL”) violations and for adherence to the SPP Criteria.² SPP, following its internal process requested mitigations, as needed, for the potential issues identified and then confirmed that the mitigations provided by the IS Parties addressed the potential issues identified in the reliability analysis. The TWG was presented with the results of the study on October 23, 2013, and endorsed the study as being performed in accordance with SPP planning criteria.³

III. ECONOMIC BENEFITS OF THE IS PARTIES’ MEMBERSHIP IN SPP

Q. PLEASE ELABORATE ON SPP’S ANALYSIS OF THE ECONOMIC BENEFITS OF THE IS JOINING SPP.

A. SPP performed an analysis to assess the estimated ten-year costs and benefits to SPP’s current Members upon the integration of the IS into SPP. This analysis included an assessment of the SPP Tariff’s Schedules 1, 1-A, 7, 8, and 11, RSG benefits, and Integrated Marketplace benefits.⁴

Q. WAS THIS ANALYSIS PRESENTED TO SPP STAKEHOLDERS AND MADE PUBLICALLY AVAILABLE?

A. Yes. The economic benefits of the IS joining SPP were presented to SPP Stakeholders on a number of occasions. These presentations were provided to SPP Stakeholders on:

² SPP Criteria is available at: <http://www.spp.org/section.asp?group=215&pageID=27>.

³ See TWG October 23, 2013 Minutes at Agenda Item # 3 posted at: <http://www.spp.org/publications/TWG%2010.23.13%20Minutes%20&%20Attachments.pdf>.

⁴ The analysis related to the cost and benefits, of Schedules 1, 1-A, 7, 8, and 11 as well as RSG benefits were conducted internally by SPP Staff. The only part of SPP’s analysis from the information The Brattle Group provided to SPP separate from the IS Parties’ Brattle Study was the Integrated Marketplace benefits.

February 24, 2014 at an all-stakeholder meeting; January 16, 2014, April 16, 2014, and May 1, 2014, at the SPC meetings; and January 27, 2014, April 4, 2014, April 28, 2014, and May, 27, 2014, at the RSC meetings. This analysis is posted on the SPP Website in those meeting materials.

Q. WHAT WAS THE RESULTS OF SPP'S ECONOMIC ANALYSIS?

A. The analysis determined the following:

May 20, 2014 Update

Effect of IS Joining SPP (\$000)		
Metric	10 Year Total	NPV @ 8% over 10 Years
Schedule 1-A	\$185,889	\$119,875
Schedule 1, 7 & 8	(\$50,830)	(\$34,107)
Schedule 11	(\$107,698)	(\$76,522)
Reserve Sharing Benefits	\$34,380	\$23,069
Integrated Marketplace Benefits	\$272,375	\$187,408
Benefit	\$334,116	\$219,723

1) Positive Value is a Benefit to Current SPP

2) Apr 24, 2014 Update to Sch 1-A

3) May, 2014 Update to Sch 11 (added HPILS Projects)

The chart above shows the estimated net present value of the costs and benefits to current SPP Members over the next ten years. Specifically, the impacts on current Members were analyzed in the following areas:

Schedule 1A/Membership Fee payments to SPP (calculated based on a forecast of the SPP revenue requirement and taking into account the load ratio share of the IS).

Schedules 1, 7 and 8 Point-to-Point revenue allocations from Point-to-Point Transmission Service ("PTP") (excluding any impact of additional Point-to-Point transactions that might be purchased if the IS Parties were to join).

Schedule 11 Base Plan Funding cost allocations (including extra high voltage ("EHV")) taking into account an exemption for Western-UGP's load obligations under Federal statute.

Integrated Marketplace savings (based on the results of the Brattle Study; SPP staff reviewed the input assumptions and the results for reasonability).

Reserve Sharing Group – If the IS Parties do not join SPP then their alternative is to join MISO. As such there is a cost to SPP if the IS does not join SPP. This cost was estimated as the increased reserves that the current SPP Members would have to carry times the opportunity cost (Locational Marginal Price ("LMP")) that is lost by having to withhold those reserves from the real-time market. This estimate was based on only 10% of the hours being affected by these lost revenues.

The result of SPP staff's analysis indicates there is a net positive benefit to current SPP Members as a result of the IS Parties' membership. Specifically, SPP determined that over the next ten years there would be a savings of \$185,889,000 in Schedule 1-A charges to current SPP Members. With respect to charges under Schedules 1, 7 and 8, there would be a cost of \$50,830,000 to current SPP Members, as well as a cost to current SPP Members of \$107,698,000 under Schedule 11. SPP conservatively estimates that there will be Reserve Sharing Benefits to current SPP Members in the amount of \$34,380,000. The net result is a benefit of \$61,741,000 to current SPP Members over the next ten years. Using benefits provided from the results of the Brattle Study performed on behalf of the IS Parties, SPP also analyzed the projected benefits from the IS Parties' participation in SPP in the Integrated Marketplace, and determined that there were projected benefits to current SPP Members in the amount of \$272,375,000. When

1 considering the Integrated Marketplace benefit, the net benefits to current SPP Members
2 increase to \$334,116,000 over the next ten years.

3 **Q. ARE THERE ANY ADDITIONAL QUALITATIVE BENEFITS TO CONSIDER?**

4 **A.** Yes. There are benefits that SPP did not find to be quantifiable; however, those benefits
5 should not be disregarded simply because they are not readily quantifiable. Although not
6 quantified, the incorporation of the IS Parties should benefit grid reliability and
7 congestion management through the ability to commit and dispatch generation that
8 impacts the 345 kV flows through and out of Nebraska. Those flows impact generation
9 curtailment on the western side of the SPP region. The ability to commit and dispatch all
10 generation impacting the west to east flows and the north to south flows on the western
11 edge of SPP is expected to increase the availability of lower-priced energy throughout the
12 region through reduced curtailment of generation. In addition, any excess generation of
13 Western-UGP beyond what is needed to meet the needs of its Statutory Load Obligation
14 customers will result in access to lower-cost hydro resources for SPP Members.

15 Another non-quantifiable factor is that if the IS were to not join SPP or did join MISO,
16 costs would also increase for SPP loads using generation in the IS based on rate
17 pancaking and the MISO Through-and-Out rate.

18 **IV. PROPOSED TARIFF CHANGES**

19 **Q. IN THE PROPOSED TARIFF CHANGES YOU MENTIONED EARLIER, YOU**
20 **IDENTIFIED SCHEDULE 11 AS A PORTION OF THE TARIFF THAT WOULD**
21 **REQUIRE CHANGES. COULD YOU PLEASE ELABORATE ON WHAT**
22 **THOSE CHANGES ARE?**

1 **A.** Schedule 11 of the SPP Tariff contains the Base Plan Zonal Charges and the Region-
2 Wide Charges paid by Transmission Customers. There are two main areas of changes
3 proposed to Schedule 11: (i) the Federal Service Exemption and (ii) how the IS Parties
4 will enter into regional cost sharing under the allocation of Base Plan Upgrade costs.

5 **Q. THE FIRST PROPOSED CHANGE YOU MENTIONED WAS THE FEDERAL**
6 **SERVICE EXEMPTION. COULD YOU EXPLAIN WHAT THAT IS?**

7 **A.** The Federal Service Exemption was developed because Western-UGP has stated that its
8 proposed membership in SPP is subject to: (i) its statutorily mandated obligations to
9 deliver federal hydro generation to categorically-defined Statutory Load Obligation
10 Customers; (ii) the fixed nature of the generation resources committed to the Statutory
11 Load Obligation customers of Western-UGP; and (iii) the sufficiency of existing
12 transmission that Western-UGP owns to meet its requirements. Accordingly, Western-
13 UGP has requested the Federal Service Exemption to meet those requirements. The
14 Federal Service Exemption is set forth in proposed Section 39.3(e) of the Tariff and
15 includes modifications to Schedule 11 and Attachment AE of the Tariff. Specifically,
16 Western-UGP would be exempt from Schedule 11 Region-wide Charges for Western-
17 UGP's delivery of federal hydro generation to Western-UGP's Statutory Load
18 Obligations. In addition, Western-UGP would be exempt from congestion and marginal
19 loss charges in accordance with Attachment AE for deliveries from federal hydro
20 generation to Western-UGP's Statutory Load Obligations as well as excluded from
21 obtaining the Auction Revenue Rights ("ARRs") and Transmission Congestion Rights
22 ("TCRs") that are available for their transmission usage. Western-UGP will also be
23 excluded from receiving any redistribution of the over-collection of marginal losses.

1 However, Western-UGP will be responsible for its share of Schedule 11 Base Plan Zonal
2 Charges and for providing the Transmission Provider average losses for the energy
3 delivered under the Federal Service Exemption at the loss factor for Zone 19 listed in
4 Attachment M, Appendix 1 of the Tariff.

5 The Federal Service Exemption applies only to Western-UGP's delivery of power from
6 federal hydro generation to Western-UGP's Statutory Load Obligation customers. The
7 Federal Service Exemption will not apply to Basin Electric or Heartland or any other
8 entities embedded in the IS that may become SPP Members or Transmission Customers.
9 Any Western-UGP power marketing activity (purchases to meet its Statutory Load
10 Obligation or sales from the excess of its resources) that does not involve providing
11 Federal resources to Federal load will be subject to all transmission service charges under
12 the SPP Tariff, including Schedule 11 Region-wide Charges and Attachment AE
13 requirements. The Direct Testimony of Jody Sundsted addresses the need for the Federal
14 Service Exemption in greater detail. In addition, the Prepared Direct Testimony of Bruce
15 Rew will address the changes to Attachment AE of the Tariff.

16 **Q. DO YOU BELIEVE THE FEDERAL SERVICE EXEMPTION IS**
17 **REASONABLE?**

18 **A.** Yes. SPP believes that the basis Western-UGP cites for the Federal Service Exemption is
19 a reasonable interpretation of the applicable statutes.

20 **Q. THE SECOND CHANGE TO SCHEDULE 11 THAT YOU MENTIONED WAS**
21 **THE INTEGRATION OF THE IS PARTIES INTO REGIONAL COST**
22 **SHARING. COULD YOU EXPLAIN THAT IN MORE DETAIL?**

1 **A.** The second main area of change to Schedule 11 is how the IS Parties will enter into
2 SPP's regional cost sharing under the allocation of Base Plan Upgrade costs under the
3 Highway-Byway cost allocation methodology.⁵ The Tariff changes in Schedule 11
4 propose a change to the definition of Base Plan Upgrades whereby the IS Parties and SPP
5 will begin regional cost sharing for projects needed on or after October 1, 2015, in both
6 SPP and the IS Parties' respective transmission planning processes. Throughout the SPP
7 stakeholder process, this has frequently been referred to as the "need-by date." This
8 need-by date proposal is consistent with how other SPP members entered into regional
9 cost sharing under the SPP Tariff, and as the analysis I have previously described shows,
10 this proposal still results in an overall net benefit to SPP's current Members. Any
11 facilities with a need-by date prior to October 1, 2015 would be allocated to either SPP or
12 the IS Parties as it is today.

13 **Q. WHAT IS THE PROPOSED CHANGE TO THE DEFINITION OF BASE PLAN**
14 **UPGRADE?**

15 **A.** The Base Plan Upgrades in Zones 1 through 18 identified by the Transmission Provider
16 with a need-by date prior to October 1, 2015 shall not be allocable to Zone 19. The
17 upgrades in Zone 19 identified by the Transmission Provider with a need-by date prior to
18 October 1, 2015, shall not constitute Base Plan Upgrades. The facilities identified in
19 Schedule 2 to Attachment J of the Tariff are expressly deemed to be Base Plan Upgrades
20 pursuant to Attachment J, Section III.A.2.ii.

⁵ The Commission issued an order accepting SPP's Highway-Byway cost allocation methodology in Docket No. ER10-1069-000 on June 17, 2010. *Sw. Power Pool, Inc.*, 131 FERC ¶ 61,252 (2010).

1 **Q. PLEASE ELABORATE ON WHAT THIS PROPOSED CHANGE MEANS.**

2 **A.** When SPP first began regional cost sharing through Base Plan Funding, its Members
3 regionally shared costs on a going-forward basis. In other words, they each had their
4 legacy transmission systems, and there was no attempt to regionally share costs for these
5 legacy facilities. In fact, if there were facilities that were needed by the Member before
6 SPP started regional cost sharing, that Member was responsible for the cost of those
7 facilities in addition to their legacy facilities even if the facility could not be implemented
8 before the start of regional cost sharing. Regional cost sharing through allocation of Base
9 Plan Upgrade costs was implemented for new facilities receiving a notification to
10 construct on or after June 19, 2010. SPP has applied this same philosophy to the
11 proposed integration of the IS Parties. Additionally, this was the same type of offer that
12 was extended to Entergy Services, Inc. when it was considering membership in SPP.

13 The IS Parties have an existing legacy system as well as projects planned with need-by
14 dates in the future. Those facilities, as well as any planned facilities with a need-by date
15 prior to October 1, 2015, have been and will continue to be fully funded by the IS Parties.
16 SPP Members will not regionally share the costs for these existing facilities. Likewise,
17 existing facilities constructed by SPP Members and those planned facilities with a need-
18 by date prior to October 1, 2015, will be fully paid for by current SPP Members and not
19 cost-shared with the IS Parties. Instead, costs will be shared for projects in both the IS
20 and the current SPP footprint with need-by dates beginning with the proposed date of
21 integration — October 1, 2015.

22 **Q. HOW WAS THE OCTOBER 1, 2015 DATE DETERMINED?**

1 **A.** This date was proposed by the IS Parties and found to be reasonable by SPP. This
2 October 1, 2015 date allows time for the SPP stakeholder process, approval by the
3 respective boards or management of SPP and the IS Parties, regulatory approvals, and
4 sufficient time for completing all of the necessary steps for integration into SPP.
5 Additionally, Western-UGP was obligated to undergo a public process before it could
6 finalize its decision to join SPP.

7 **Q. DID SPP CONDUCT ANY ANALYSIS REGARDING THE APPLICATION OF**
8 **REGIONAL COST SHARING TO THE IS PROJECTS AND THE PROPOSED**
9 **NEED-BY DATES?**

10 **A.** Yes. The purposes of the TWG Study I mentioned above were two-fold: (i) to confirm
11 that the IS Parties were bringing a reliable system for integration into SPP that was in
12 compliance with NERC and SPP standards and (ii) to confirm the need-by date of
13 projects that the IS Parties have planned, according to SPP Criteria and eligibility for
14 allocation of Base Plan Upgrade costs.

15 The TWG Study looked out as far as 2019, consistent with the 2013 ITP Near-Term
16 study, to identify reliability needs and confirmed that the planned IS projects met the
17 needs identified in the TWG Study for both potential TPL or SPP criteria violations. The
18 TWG Study then timed the need-by dates in accordance with when the reliability needs
19 were identified in the models, exactly as SPP would for SPP members in the ITP Near-
20 Term process.

21 Basin Electric's projects with an SPP need-by date on or after October 1, 2015 are
22 identified in Schedule 2 to Attachment J.

**Q. HOW WILL SPP'S REGIONAL COST ALLOCATION REVIEW ("RCAR")
IMPACT THIS PROCESS?**

A. When the Commission approved the allocation of Base Plan Upgrade costs with a notification to construct after June 19, 2010, it also approved a regional review of such cost sharing to be performed every three years. To implement this regional review, SPP created the Regional Allocation Review Task Force ("RARTF") which developed the RCAR methodology and the RCAR Report. The RARTF will consider how to incorporate the IS Parties into the RCAR process. The subsequent RCAR analysis will determine if the way the IS Parties proposed to enter into regional cost sharing results in the IS Parties benefiting from SPP facilities in such a way that the benefits are not commensurate with the costs to SPP Members. In the event this becomes an issue, the RARTF has provided a list of possible remedies and the RCAR process will identify the specific remedies that are expected to correct this situation over time.

**Q. DO YOU BELIEVE THAT THE CHANGES TO SCHEDULE 11 REGARDING
REGIONAL COST SHARING ARE JUST AND REASONABLE?**

A. Yes. SPP believes that the proposed changes to integrate the IS Parties into regional cost sharing are just and reasonable.

**Q. YOU STATED THAT THERE ARE PROPOSED CHANGES TO SCHEDULE 12
TO THE SPP TARIFF. WOULD YOU PLEASE DESCRIBE THOSE CHANGES?**

A. Schedule 12 of the Tariff contains the mechanisms for SPP to collect the funds necessary to pay the annual charges for the FERC Assessment that is assessed to SPP's Transmission Customers and Transmission Owners by the Commission for all energy

delivered under PTP and Network Integration Transmission Service (“NITS”) and to all energy delivered under Bundled Retail and Grandfathered Loads transmitted in interstate commerce during a calendar year. As proposed, Western-UGP will not pay charges under Schedule 12. The Direct Testimony of Jody Sundsted explains that Schedule 12 charges are not applicable because the FERC Assessment does not include the costs of regulating Federal PMAs. Western-UGP is the only IS owner that will not be assessed Schedule 12 costs for PTP or for NITS that is provided to Western-UGP.

Q. ARE THE CHANGES TO SCHEDULE 12 JUST AND REASONABLE?

A. Yes. SPP believes that Western-UGP’s basis for an exemption from Schedule 12 charges is reasonable.

Q. YOU STATED THAT THERE ARE PROPOSED CHANGES TO SCHEDULES 7, 8, AND 9 OF THE TARIFF. WOULD YOU PLEASE DESCRIBE THOSE CHANGES?

A. Schedules 7 and 8 contain the rates for PTP. Schedule 7 contains the rates to calculate charges to be paid by transmission customers for long-term and short-term firm PTP on the SPP system. Schedule 8 contains the charges to be paid by Transmission Customers for non-firm PTP. Upon Commission approval, SPP’s calculation of the zonal rate for PTP will include the IS Parties’ zone, identified as Zone 19 (Upper Missouri Zone or UMZ). The rates sheet for Zone 19 is contained in Attachment T and is described in more detail below.

Schedule 9 provides that Transmission Customer shall compensate SPP for NITS. The compensation includes a zonal rate. The revisions to Schedule 9 are necessary to include

1 Zone 19, similar to the proposals for Schedules 7 and 8. However, SPP proposes a
2 different calculation methodology for Zone 19. SPP proposes to retain the current
3 provision for Zones 1 through 18. For network customers in Zone 19 that are
4 interconnected to an external entity, the Zone 19 demand charge is applicable rather than
5 the lowest zonal charge.

6 **Q. ARE THE CHANGES TO SCHEDULES 7, 8, AND 9 JUST AND REASONABLE?**

7 **A.** Yes. SPP believes the inclusion of the Upper Missouri Zone (UMZ or Zone 19) in these
8 rate schedules is just and reasonable in order to integrate Zone 19 into the ratemaking
9 process under the Tariff.

10 **Q. YOU STATED THAT THERE ARE PROPOSED CHANGES TO**
11 **ATTACHMENTS H AND T OF THE TARIFF. WOULD YOU PLEASE**
12 **DESCRIBE THOSE CHANGES?**

13 **A.** Attachment H contains the ATRR for SPP Transmission Owning Members that have
14 placed their transmission facilities under the Tariff and have Commission accepted stated
15 rates or formula rates for recovery of the ATRR. The components of the Transmission
16 Owner ATRR include the Zonal ATRR, Base Plan Zonal ATRR (before and after June
17 19, 2010), ATRR reallocated to the Balanced Portfolio Region-wide ATRR, and the Base
18 Plan Zonal ATRR to pay Upgrade Sponsors of transmission upgrades. These components
19 are used by SPP to compute the Region-wide charges under Schedule 11. The changes to
20 Schedule 11 necessary to integrate Western-UGP are discussed above.

21 SPP proposes in this filing to also revise Attachment H in anticipation of SPP filing on
22 behalf of the IS Parties individual filings to incorporate a stated or formula rate into

1 Attachment H. Changes to Attachment H include the addition of Zone 19, and respective
2 sub-zones within the zone to represent the IS Parties' ATRR. Zone 19 is divided into
3 separate sub-zones for Western-UGP (Zone 19a), Basin Electric (Zone 19b), and
4 Heartland (Zone 19c) with references to SPP's Revenue Requirements and Rates
5 ("RRR") File similar to other established Transmission Owners.

6 Additionally, Attachment H is revised to include a Table 2-B to specify the Region-wide
7 ATRR for network upgrades needed on or after the October 1, 2015 date as discussed in
8 this testimony. Table 2-A will continue to represent current information for Network
9 Upgrades needed prior to October 1, 2015.

10 An Attachment T rate sheet for the Upper Missouri Zone is included in the filing for
11 PTP service in Zone 19. These rates will be set forth in the RRR file. Attachment T for
12 the Upper Missouri Zone will include the rates for each of the IS Parties for firm and
13 non-firm PTP and an adjustment clause for balanced portfolio reallocations in
14 accordance with Attachment J. Similar to attachment H, SPP will make future filings to
15 incorporate the IS Parties' rates into the tariff to allow SPP to populate the RRR file with
16 the IS Parties' ATRR.

17 **Q. ARE THE CHANGES TO ATTACHMENTS H AND T JUST AND**
18 **REASONABLE?**

19 **A.** Yes. For the same reasons stated for Schedules 7-9 and 11 above, SPP believes the
20 modifications to Attachments H and T are required to integrate the IS Parties.

1 **Q. YOU STATED THAT THERE ARE PROPOSED CHANGES TO**
2 **ATTACHMENTS J AND L TO THE SPP TARIFF. WOULD YOU PLEASE**
3 **DESCRIBE THOSE CHANGES?**

4 **A.** Attachments J and L of the Tariff dictate the recovery of costs associated with new
5 facilities and the treatment of transmission revenues, respectively. Each attachment is
6 revised to recognize the requirements of Western-UGP as a Federal PMA. Further
7 justification for this requirement will be provided in the Direct Testimony provided by
8 Jody Sundsted and Steven Sanders.

9 Attachment J will also include a Schedule 2 to Attachment J to identify the base plan
10 upgrades specifically designated for cost allocation under Attachment J when the IS
11 Parties' facilities are included in the SPP system.

12 Attachment L currently provides in Section II.B.2(f) that revenues collected from
13 network customers for load outside the SPP transmission system under Section 31.3 of
14 the Tariff shall be distributed among Transmission Owners on the same basis as revenues
15 collected for PTP. This section will not apply to the Upper Missouri Zone. Rather,
16 Attachment L will include a new section II.B.2(h) to provide that for load outside the SPP
17 transmission system designated prior to October 1, 2015, revenues that SPP collects shall
18 be distributed amongst the Transmission Owners of Zone 19 only. The Direct Testimony
19 of Lloyd Linke explains the reasons for this proposed change.

20 **Q. ARE THE CHANGES TO ATTACHMENTS J AND L JUST AND**
21 **REASONABLE?**

1 **A.** Yes. SPP believes Western-UGP's requirements for Attachment J are consistent with
2 Western-UGP's interpretation of its responsibilities under its governing statutes. SPP has
3 reviewed Mr. Linke's explanation for the proposed revisions to Attachment L and has
4 concluded that the proposed change is just and reasonable.

5 **Q. YOU STATED THAT THERE ARE PROPOSED CHANGES TO ATTACHMENT**
6 **M TO THE SPP TARIFF. WOULD YOU PLEASE DESCRIBE THOSE**
7 **CHANGES?**

8 **A.** Attachment M provides the Loss Compensation Procedure under the Tariff for the
9 determination of losses for which Transmission Customers (both NITS and PTP) are
10 responsible. Any loss compensation to be provided by Western-UGP that is associated
11 with network service to serve its Statutory Load Obligations will be calculated in
12 accordance with Attachment M, but are subject to the requirements of the Federal Service
13 Exemption identified in Section 39.3(e)(ii) of the Tariff. The proposed changes will
14 identify the loss factors to be utilized to calculate Western-UGP's responsibility for its
15 network load to serve its Statutory Load Obligations in accordance with the Federal
16 Service Exemption. The Direct Testimony of Jody Sundsted addresses the need for the
17 Federal Service Exemption in greater detail.

18 **Q. ARE THE CHANGES TO ATTACHMENT M JUST AND REASONABLE?**

19 **A.** Yes. SPP believes that the basis Western-UGP cites for the Federal Service Exemption is
20 a reasonable interpretation of the applicable statutes and the revisions to Attachment M
21 are consistent with that interpretation.

1 **Q. YOU STATED THAT THERE ARE PROPOSED CHANGES TO ATTACHMENT**
2 **AN TO THE SPP TARIFF. WOULD YOU PLEASE DESCRIBE THOSE**
3 **CHANGES?**

4 **A.** Attachment AN is the *pro forma* agreement between SPP and the participants in the SPP
5 Balancing Authority (“SPP BA”) (“SPP BA Agreement”) that delineates the division of
6 responsibilities, rights and obligations between SPP and the former Balancing Authorities
7 that were consolidated with the implementation of the Integrated Marketplace. SPP and
8 sixteen (16) former Balancing Authorities are currently signatories and participants in the
9 SPP BA. When the IS Parties integrate into SPP, the Western-UGP WAUE Balancing
10 Authority (which operates on behalf of the IS Parties) will become part of the SPP
11 footprint. Western-UGP has proposed revisions to the SPP BA Agreement as necessary
12 to allow Western-UGP WAUE to become a signatory under the SPP BA Agreement, and
13 to integrate the IS Parties into the SPP footprint. The other signatories to the SPP BA
14 Agreement participated in the review and modification of the terms and conditions being
15 filed.

16 The changes being proposed to Attachment AN are consistent with the changes proposed
17 to other sections of the Tariff, specifically the proposed revisions to Section 39.3 of the
18 Tariff and the application of federal law, to recognize the requirements of Western-UGP
19 as a Federal PMA. The general Federal requirements applicable to Western-UGP are
20 being addressed in the Prepared Direct Testimony of Jody Sundsted.

21 **Q. ARE THE CHANGES TO ATTACHMENT AN JUST AND REASONABLE?**

1 **A.** For similar reasons underlying the justification for the Tariff changes being proposed,
2 SPP believes that the changes to Attachment AN are just and reasonable.

3 **Q.** **YOU STATED THAT THERE ARE PROPOSED CHANGES TO ATTACHMENT**
4 **AP TO THE SPP TARIFF. WOULD YOU PLEASE DESCRIBE THOSE**
5 **CHANGES?**

6 **A.** Attachment AP contains the allocation of costs associated with reliability penalty
7 assessments against SPP. This attachment provides notice to all Market Participants,
8 Members, and Terminated Members that they may be potentially responsible for
9 penalties levied against SPP due to confirmed violations of mandatory Reliability
10 Standards of NERC. Western-UGP has asserted that it is not subject to Reliability
11 Penalties that may be levied against it or SPP's penalty costs due to SPP or Western-UGP
12 violations. Therefore, Attachment AP is being revised to recognize that Western-UGP, by
13 becoming a SPP Member, does not waive or concede any defense it may have against
14 liability for reliability penalty costs levied against SPP by an enforcement authority to
15 which it would not be liable except for membership in SPP. Likewise, SPP does not
16 concede or accept responsibility for any portion of penalty or fine attributable to
17 Western-UGP. The purposes and justification for the changes to Attachment AP is being
18 addressed in greater detail in the Direct Testimony of Lloyd Linke.

19 **Q.** **ARE THE CHANGES TO ATTACHMENT AP JUST AND REASONABLE?**

20 **A.** Western-UGP has stated this is a limitation that must be addressed in the Tariff and
21 Governing Documents and is a condition of membership. SPP believes that in light of

1 Western-UGP's position, the proposal to identify such amounts to the Commission as
2 uncollectable is just and reasonable.

3 **V. CONTRACT FOR ADMINISTRATIVE SERVICES FOR IS FACILITIES**
4 **IN THE WESTERN INTERCONNECTION**

5 **Q. THERE ARE SOME WESTERN-UGP AND BASIN ELECTRIC FACILITIES**
6 **THAT ARE IN THE WESTERN INTERCONNECTION. ARE THOSE**
7 **FACILITIES BEING INTEGRATED INTO SPP?**

8 **A.** No. Those are Western-UGP and Basin Electric facilities that are not being placed under
9 the Tariff based on the membership of those IS Parties. SPP and Western-UGP intend to
10 enter into a contract for SPP to undertake administration of those facilities. Such
11 facilities are located across the Miles City DC Tie and comprise a small amount of load
12 and generation. Participation in the SPP Integrated Marketplace is not feasible for the
13 Western Interconnection facilities because those facilities are in a separate
14 interconnection, and comprise a small amount of facilities and load. It is anticipated that
15 the contract will be similar to the contract between SPP and the Southwestern Power
16 Administration.⁶ Western-UGP' WAUW will continue to operate as the Balancing
17 Authority for facilities in the Western Interconnection. It is expected this contract will be
18 completed before October 1, 2015.

19 **VI. PROPOSED CHANGES TO GOVERNING DOCUMENTS TARIFF**

⁶ The currently effective Tariff Administration Agreement between Southwestern Power Administration and SPP is located in Attachment AD of SPP's Tariff.

Q. WHAT ARE THE CHANGES PROPOSED TO THE MEMBERSHIP AGREEMENT AND THE SPP BYLAWS?

A. The majority of the changes SPP has proposed to its Governing Documents are to accommodate the membership of the IS Parties, which is addressed in the Direct Testimony of Lloyd Linke and Jody Sundsted. However, there are also proposed changes to the SPP Bylaws regarding the number of seats on the Members Committee and the CGC that are not directly a result of the IS Parties' decision to join SPP.

Q. CAN YOU ELABORATE ON THE RESPONSIBILITIES AND SCOPE OF THE MEMBERS COMMITTEE?

A. The Members Committee is currently comprised of 19 members. Presently, four of the representatives are from investor-owned utilities Members, four representatives are from cooperatives Members, two representatives are from municipals Members (including municipal joint action agencies), three representatives are from independent power producers/marketers Members, two representatives are from state/federal power agencies Members, two representatives are from alternative power/public interest Members, one representative is from a large retail customer Member; and one representative is from a small retail customer Member. The Members Committee meets with the SPP Board and Members Committee representatives sit at the table with the SPP Board during such meetings. Prior to a vote of the SPP Board, the Members Committee is polled and takes a non-binding vote, thus indicating the voice of the SPP Members to the SPP Board.

As set forth in Section 5.1 of the SPP Bylaws, the duties of the Members Committee include the following:

(a) Provide individual and collective input to the Board of Directors, including but not limited to a straw vote from the Members Committee representatives as an indication of the level of consensus among Members, on all actions pending before the Board of Directors;

(b) Serve on committees reporting to the Board of Directors as appointed by the Board of Directors; and

(c) Provide input with the Board of Directors to the Regional Entity Trustees on SPP Regional Reliability Standards presented by the MOPC to the Trustees or otherwise developed under the auspices of the Trustees for submission to the ERO for its approval.

Q. WHAT ARE THE PROPOSED CHANGES TO THE MEMBERS COMMITTEE?

A. The proposed changes to Section 5.1.1 of the SPP Bylaws increase the number of representatives on the Members Committee from 19 to 24. The number of representatives from investor-owned utilities is being increased from four to six, the number of cooperative representatives is being increased from four to five, a seat is being added for a representative from a Federal PMA, and a seat is being added for a representative from an independent transmission company (defined as having assets under the Tariff and no affiliate relationships in the other categories of SPP membership). If membership of the IS Parties does not materialize, neither the additional seat for a cooperative representative nor the Federal PMA seat will be added. The addition of two seats for investor-owned utilities is based upon their percentage of the SPP membership and a growing interest in participation. The addition of a seat for a representative from

1 an independent transmission company is based upon the growth of these Members in the
2 SPP footprint. These changes were approved by the SPP Membership and SPP Board on
3 June 9, 2014.

4 **Q. CAN YOU ELABORATE ON THE RESPONSIBILITIES AND SCOPE OF THE**
5 **CORPORATE GOVERNANCE COMMITTEE?**

6 **A.** As set forth in Section 6.6 of the SPP Bylaws, the CGC is responsible for the overall
7 governance structure, including nominations, for the company for: Board of Directors (as
8 identified by an independent executive search firm) for consideration by SPP
9 Membership; Regional Entity trustees for consideration by SPP Membership; Members
10 Committee Representatives for consideration by SPP Membership; and filling vacancies
11 for Organizational Groups in accordance with the SPP Bylaws. The CGC is also charged
12 with the responsibility of monitoring the composition of the SPP Board to ensure balance,
13 independence, and qualification under applicable laws, avoidance of conflicts of interest
14 and periodic review of the criteria for independence and recommending changes, as
15 appropriate. The CGC is also responsible for determining the criteria governing the
16 overall composition of the SPP Board and Regional Entity Trustees, and for coordinating
17 an annual review and assessment of the SPP Board's and the Regional Entity Trustee's
18 effectiveness, structure and process. The full scope of the CGC is posted on the SPP
19 Website at: <http://www.spp.org/publications/CGC%20Scope%202013.FINAL.pdf>.

20 Currently, the membership of the CGC is comprised of the following: the President of
21 SPP who will serve as the Chair; the Chairman of the Board, (unless his/her position is
22 under consideration, in which case the Vice Chairman of the Board would fill that role); a

1 representative from an investor-owned utilities Member; a representative from a co-
2 operatives Member; a representative from a municipals Member; a representative from an
3 independent power producers/marketers Member; a representative from a state/federal
4 power agencies Member; a representative from an alternative power/public interest
5 Member; and a representative selected by large/small retail Members.

6 **Q. WHAT ARE THE PROPOSED CHANGES TO THE CGC?**

7 The proposed changes to Section 6.6 of the SPP Bylaws change the current seat on the
8 CGC that “shall be representative of and selected by state/federal power agencies
9 Members” to a representative of and selected by state power agencies Members. In
10 addition, a seat on the CGC is added for a member that “shall be representative of and
11 selected by a Federal Power Marketing Agency Member(s).” In the event that
12 membership of the IS does not materialize, these changes will not be made.

13 **Q. ARE THE PROPOSED CHANGES TO THE GOVERNING DOCUMENTS JUST**
14 **AND REASONABLE?**

15 **A.** Yes. The proposed changes to the SPP Governing Documents are just and reasonable.

16 **VII. WITHDRAWAL**

17 **Q. PLEASE EXPLAIN THE WITHDRAWAL PROVISIONS AS APPLICABLE TO**
18 **THE IS ENTITIES.**

19 **A.** Under the proposed revisions to the Governing Documents, Western-UGP, Basin
20 Electric, or Heartland would be able to withdraw from SPP membership with less than
21 the currently required period of notice if the Commission does not approve all of the

1 proposed revisions or if SPP subsequently changes the terms of the revisions or fails to
2 adhere to them. In addition, if Western-UGP were to withdraw under one of those
3 scenarios, the agency would not be responsible for the financial obligations otherwise
4 required upon a member's withdrawal. Basin Electric and Heartland would still have to
5 meet such financial obligations. The Direct Testimony of Lloyd Linke addresses this in
6 greater detail.

7 **Q. WHY ARE THE WITHDRAWAL PROVISIONS FOR WESTERN-UGP**
8 **DIFFERENT FROM THOSE FOR BASIN ELECTRIC AND HEARTLAND?**

9 **A.** The distinction is based on Western-UGP's status as a Federal agency and its inability to
10 undertake financial obligations that conflict with the Federal statutes that govern its
11 actions.

12 **Q. PLEASE ELABORATE ON THE BASIS FOR WESTERN-UGP'S PROPOSED**
13 **EXEMPTION FROM FINANCIAL OBLIGATIONS UPON WITHDRAWAL.**

14 **A.** While Mr. Linke addresses this issue in more detail, it is apparent that Western-UGP, as
15 the first Federal PMA to pursue RTO membership under the authority of EPC Act 05, is
16 proceeding cautiously and with the aim of prudent management of appropriated Federal
17 funds. Western-UGP has stated the specific Tariff and Governing Documents revisions
18 at issue are necessary to permit the agency to participate as a Member of SPP and still
19 comply with its statutory obligations. Accordingly, Western-UGP has advised it must
20 withdraw as a Member if the revisions it deems necessary are not approved by the
21 Commission or are subsequently changed by SPP.

22 **Q. WHAT STATUTORY OBLIGATIONS ARE AT ISSUE HERE?**

1 **A.** Western-UGP has cited many of the same statutes on which the Federal Service
2 Exemption is based. EPCA 05, on which Western-UGP's proposed membership is
3 premised, states in Section 1232(c) that the agency will still be subject to the obligations
4 and limitations of its existing statutory authority and contracts. Western-UGP has
5 identified the payment and funding commitment restrictions of the Anti-Deficiency Act
6 (31 U.S.C. §1341) and the Purpose Statute (31 USC §1301) as well as the minimum rate
7 requirements imposed by Federal reclamation law in Section 9(c) of the Reclamation
8 Project Act of 1939 and Section 5 of the Flood Control Act of 1944.

9 **Q. CAN YOU ELABORATE ON THE FINANCIAL RESTRICTIONS IMPOSED BY**
10 **THESE STATUTES?**

11 **A.** Again, Mr. Linke addresses this issue more directly, but under the Anti-Deficiency Act,
12 Western-UGP states that it is unable to obligate itself in advance for an amount that is
13 open-ended or unknown and thus has not been the subject of appropriations.

14 **Q. WHAT IF NONE OF THE SPECIFIED TRIGGERING EVENTS OCCUR, BUT**
15 **WESTERN-UGP NONETHELESS DECIDES TO WITHDRAW? WOULD THE**
16 **AGENCY BE RESPONSIBLE FOR PAYMENT OF FINANCIAL OBLIGATIONS**
17 **UNDER THOSE CIRCUMSTANCES?**

18 **A.** Under the revisions as proposed, Western-UGP would only be relieved from paying
19 financial obligations upon withdrawal triggered by the specified events (i.e. the
20 Commission does not approve the proposed revisions at issue, SPP changes them
21 unilaterally, or SPP fails to adhere to them). In this context, Western-UGP proposes to
22 distinguish between a withdrawal triggered by the actions of third parties and a

1 withdrawal Western-UGP may plan and undertake after sufficient appropriations have
2 been made for expenses such as financial obligations associated with withdrawal.

3 **Q. ARE THE PROPOSED TERMS OF WITHDRAWAL JUST AND**
4 **REASONABLE?**

5 **A.** Yes, I believe that they are.

6 **VIII. CONCLUSION**

7 **Q. DO YOU BELIEVE THAT SPP'S PROPOSED CHANGES TO THE TARIFF**
8 **AND GOVERNING DOCUMENTS ARE JUST AND REASONABLE?**

9 **A.** I do. There were a number of stakeholder meetings in which the proposed membership
10 of the IS Parties was discussed in detail, and a number of meetings dedicated to
11 developing the proposed language in the Tariff and Governing Documents. The TWG
12 Study was conducted using stakeholder developed models and was endorsed by the TWG
13 and the cost benefit analysis was presented to and considered by SPP's stakeholders. The
14 proposed Tariff changes required to integrate the IS Parties into SPP were approved by
15 the MOPC, the Members Committee and the SPP Board. The proposed changes to the
16 Governing Documents were approved by the MOPC, the SPP Membership, the Members
17 Committee and the SPP Board. In addition, on July 9, 2014, the Administrator of the
18 Western Area Power Administration approved and directed Western-UGP to take the
19 necessary actions to complete full membership with SPP. Heartland's Board of Directors
20 passed resolutions on July 8, 2014, approving its participation as an SPP Member. On
21 July 17, 2014, Basin Electric's Board of Directors authorized integration with SPP by
22 October 1, 2015. The proposed revisions have been carefully scrutinized by all of the

1 affected parties, and have been found to be necessary or appropriate to integrate the IS
2 Parties into SPP. Consequently, the revisions are just and reasonable.

3 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

4 **A. Yes.**

5

VERIFICATION

Pursuant to 28 U.S.C. § 1746, I state under penalty of perjury that the foregoing testimony is true and correct to the best of my information, knowledge and belief.

Executed this 8th day of September, 2014.

A handwritten signature in black ink, appearing to read "Carl A. Monroe", is written over a horizontal line.

Carl A. Monroe
Executive Vice President and Chief Operating Officer
Southwest Power Pool, Inc.

Exhibit No. SPP-4

Prepared Direct Testimony of Bruce A. Rew

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

SOUTHWEST POWER POOL, INC.

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Docket No. ER14-____-000

PREPARED DIRECT TESTIMONY

OF

**BRUCE A. REW
VICE PRESIDENT OF OPERATIONS
SOUTHWEST POWER POOL, INC.**

ON BEHALF OF SOUTHWEST POWER POOL, INC.

SEPTEMBER 11, 2014

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

SOUTHWEST POWER POOL, INC.)

Docket No. ER14-____-000

PREPARED DIRECT TESTIMONY

OF

BRUCE A. REW

1 I. INTRODUCTION

2 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

3 A. My name is Bruce A. Rew. My business address is 201 Worthen Drive, Little Rock, AR
4 72223.

5 Q. BY WHOM AND IN WHAT CAPACITY ARE YOU EMPLOYED?

6 A. I am employed by Southwest Power Pool, Inc. (“SPP”) as Vice President of Operations.

7 Q. WHAT ARE YOUR DUTIES AND RESPONSIBILITIES IN YOUR CURRENT
8 POSITION?

9 A. I am responsible for SPP’s real-time and day-ahead operations, operational planning, and
10 analysis support of all reliability coordination, market operations, tariff administration
11 and scheduling functions.

1 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL AND PROFESSIONAL**
2 **BACKGROUND.**

3 **A.** I am a graduate of Louisiana Tech University holding a Bachelor's degree in Electrical
4 Engineering and a Master's degree in Operations Management from the University of
5 Arkansas. I have been employed at SPP since 1990 in several engineering and
6 management positions. I was promoted to Vice President of Engineering in 2009 and
7 became Vice President of Operations in 2011. Prior to joining SPP, I served in the
8 United States Air Force on a nuclear missile launch crew. Also, I am a registered
9 Professional Engineer in the state of Arkansas and a graduate of Harvard's Advanced
10 Management Program.

11 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

12 **A.** My testimony describes revisions to Attachment AE of the SPP Open Access
13 Transmission Tariff ("Tariff") that SPP is proposing in order to implement a Federal
14 Service Exemption for the Western Area Power Administration's ("Western") Upper
15 Great Plains Region's ("Western-UGP") delivery of power from certain Federal
16 government hydroelectric reservoir projects to certain customers. As discussed in greater
17 detail in the testimony of Mr. Carl Monroe, Exhibit No. SPP-3, SPP is proposing to
18 revise its Tariff to establish the Federal Service Exemption in furtherance of Western-
19 UGP's plan to join SPP as a Transmission Owner along with Basin Electric Power
20 Cooperative ("Basin Electric") and Heartland Consumers Power District ("Heartland"),
21 collectively the owners of the "Integrated System" (the Integrated System is referred to in
22 this testimony as the "IS" and Western-UGP, Basin Electric, and Heartland are referred

1 to collectively as the “IS Parties”). Mr. Monroe describes the IS and provides more detail
2 regarding the Federal Service Exemption and revisions to other provisions of the SPP
3 Tariff and other governing documents to effectuate the integration of the IS. The
4 rationale behind and justification for the proposed Tariff changes (including the Tariff
5 changes I describe below) is provided in the Direct Testimony of Jody S. Sundsted, Lloyd
6 Linke and Steven Sanders.

7 **Q. WHAT IS WESTERN-UGP?**

8 **A.** As discussed in more detail in the testimony of other witnesses submitted in this filing,
9 Western-UGP is one of four Western regions that markets and transmits power from
10 Federal government hydroelectric reservoir projects controlled by the Department of the
11 Army and the Bureau of Reclamation to certain customers entitled to such power
12 deliveries under Federal statute. Mr. Jody S. Sundsted describes Western-UGP in greater
13 detail.

14 **II. INTEGRATED MARKETPLACE OVERVIEW**

15 **Q. WHAT IS THE INTEGRATED MARKETPLACE?**

16 **A.** As authorized by the Federal Energy Regulatory Commission (“Commission”), SPP
17 launched its Integrated Marketplace on March 1, 2014, including (among other things)
18 Day-Ahead and Real-Time Energy and Operating Reserve Markets with locational
19 marginal pricing and a market-based congestion management process based on
20 allocations of Auction Revenue Rights (“ARR”) and auctions of Transmission
21 Congestion Rights (“TCR”). SPP’s filings to implement the Integrated Marketplace were
22 submitted in several dockets including (among others) Docket Nos. ER12-1179, ER13-

1 1173, ER13-2078, and ER14-416. Operation of the Integrated Marketplace is governed
2 largely by Attachment AE of the Tariff, with implementation details included in the
3 Integrated Marketplace Protocols.

4 In the Integrated Marketplace, the locational marginal price (“LMP”) for each Settlement
5 Location includes both a Marginal Congestion Component and Marginal Loss
6 Component. ARRs are allocated to Transmission Customers based on their transmission
7 reservations to offset congestion charges, entitling the holders to revenues from the TCR
8 auction or the ability to self-convert ARRs into TCRs. Transmission losses are recovered
9 on a marginal loss basis, with surplus marginal loss revenues being refunded through the
10 use of Loss Pools.

11 **Q. HAS SPP PREVIOUSLY FILED TARIFF PROVISIONS TO ACCOMMODATE**
12 **WESTERN-UGP’S PARTICIPATION IN THE INTEGRATED**
13 **MARKETPLACE?**

14 **A.** Yes. In Docket No. ER14-1204, SPP filed Tariff revisions to facilitate Western-UGP’s
15 participation as a Market Participant in the Integrated Marketplace. These revisions
16 included adding certain provisions to address Federal contracting requirements and
17 changes to SPP’s credit policy to enable Western-UGP to provide alternative forms of
18 financial security. However, the revisions were not designed to accommodate Western-
19 UGP as a Member Transmission Owner under the SPP Tariff and other governing
20 documents. The revisions submitted in this docket serve this purpose.

21 **III. OVERVIEW OF THE FEDERAL SERVICE EXEMPTION**

22 **Q. PLEASE BRIEFLY DESCRIBE THE FEDERAL SERVICE EXEMPTION.**

1 **A.** As discussed in more detail in Mr. Monroe’s and Mr. Sundsted’s testimony, the Federal
2 Service Exemption exempts Western-UGP from Region-wide Charges for transmission
3 facilities and from congestion and marginal loss charges for deliveries of “Federal
4 Power – Western-UGP” from Western-UGP resources to Western-UGP’s “Statutory
5 Load Obligations.” The Federal Service Exemption does not apply to Western-UGP’s
6 other activities, such as sales of excess power to entities that are not within its Statutory
7 Load Obligations and purchases from other (non-Federal Power – Western-UGP)
8 resources to meet Western-UGP’s Statutory Load Obligations.

9 **Q. WHY IS SPP PROPOSING THE FEDERAL SERVICE EXEMPTION?**

10 **A.** As Mr. Monroe testifies, the Federal Service Exemption was developed at Western-
11 UGP’s request because Western-UGP has stated that its membership in SPP is subject to
12 certain Federal statutory requirements and limitations. Mr. Sundsted explains these
13 statutory requirements and limitations in detail.

14 **Q. WHAT IS “FEDERAL POWER – WESTERN-UGP”?**

15 **A.** As defined in revised Section I.1 of the Tariff, Federal Power – Western-UGP is all
16 power and energy generated at reservoir projects under the control of the U.S.
17 Department of the Army or Bureau of Reclamation within the marketing area of Western-
18 UGP for the purpose of fulfilling Western-UGP’s Statutory Load Obligations. Federal
19 Power – Western-UGP also includes certain power and energy delivered to or from
20 Western-UGP under certain agreements with the Southwestern Power Administration.

21 **Q. WHAT ARE WESTERN-UGP’S “STATUTORY LOAD OBLIGATIONS”?**

1 **A.** As defined in revised Section I.1 of the proposed Tariff included in this filing, Western-
2 UGP's Statutory Load Obligations include Western-UGP's power marketing function
3 obligations under Federal law to deliver power and energy from the output of Federal
4 hydroelectric projects operated by the Department of the Army and Bureau of
5 Reclamation to loads, including project use loads, preference power customer loads in
6 certain states (i.e., Iowa, Minnesota, Montana, Nebraska, North Dakota, and South
7 Dakota) located in a marketing area defined pursuant to a power marketing plan, as well
8 as other loads required to be served under Federal law.

9 **IV. OPERATION OF THE FEDERAL SERVICE EXEMPTION AND ASSOCIATED**
10 **TARIFF REVISIONS**

11 **Q. HOW DOES THE FEDERAL SERVICE EXEMPTION WORK?**

12 **A.** As outlined in Section 39.3(e) of the revised Tariff proposed in this filing, Western-UGP
13 would be exempt from Region-wide Charges assessed under Schedule 11 of the Tariff
14 and congestion and marginal loss charges calculated under Attachment AE of the Tariff
15 for Western-UGP's delivery of Federal Power – Western-UGP to its Statutory Load
16 Obligations within the Upper Missouri Zone ("UMZ") of SPP, a new pricing zone
17 comprised of the IS. Mr. Monroe describes in more detail the mechanics of the Federal
18 Service Exemption exception for Schedule 11 Region-wide Charges and the associated
19 Tariff revisions.

20 **Q. ARE THERE LIMITATIONS TO THE FEDERAL SERVICE EXEMPTION?**

21 **A.** Yes, as proposed Section 39.3(e) indicates, the Federal Service Exemption applies only to
22 Western-UGP's deliveries of Federal Power – Western-UGP to Western-UGP's Statutory

1 Load Obligations across the UMZ. The Federal Service Exemption does not apply to
2 Western-UGP's other marketing activities or transactions by other IS Parties or entities in
3 the UMZ.

4 **Q. WHAT IS THE "UMZ"?**

5 **A.** As defined in Section I.1 of the proposed Tariff, the UMZ, also known as "Zone 19" in
6 the Tariff, consists of: (i) the facilities of Western-UGP within the Eastern and Western
7 Interconnections; (ii) the facilities owned or leased by Basin Electric Power Cooperative
8 or Heartland Consumers Power District within the Eastern Interconnection; (iii) a portion
9 of the facilities owned or leased by Basin Electric Power Cooperative within the Western
10 Interconnection; and (iv) other facilities of the Western Area Power Administration in the
11 Eastern Interconnection transferred to the functional control of the Transmission
12 Provider, not included in the facilities of Western-UGP in (i) above.

13 **Q. WHICH ASPECTS OF THE FEDERAL SERVICE EXEMPTION DO YOU**
14 **ADDRESS IN YOUR TESTIMONY?**

15 **A.** I am testifying about the Federal Service Exemption for congestion and losses charges in
16 the Integrated Marketplace. Mr. Monroe testifies in detail about the Federal Service
17 Exemption relative to Region-wide Charges for transmission facilities under Schedule 11
18 of the Tariff. Most of the Tariff changes necessary to accommodate Western-UGP's
19 exemption for congestion and losses charges in the Integrated Marketplace are contained
20 in Attachment AE of the Tariff. Under the general Tariff, other than Attachment AE, the
21 Federal Service Exemption is not referenced as the acronym "FSE," but rather, used
22 consistently in its long form. However, Attachment AE does utilize the acronym "FSE"

1 to identify terms related to the Federal Service Exemption. For purposes of efficiency, I
2 will use the acronym FSE for the remainder of my testimony to reference the Federal
3 Service Exemption.

4 **Q. PLEASE EXPLAIN THE OPERATION OF THE FSE FOR CONGESTION AND**
5 **LOSSES CHARGES.**

6 **A.** Under the proposed FSE, for deliveries of Federal Power – Western-UGP to Western-
7 UGP’s Statutory Load Obligations across the UMZ, Western-UGP would be exempt
8 from congestion and losses charges that would normally apply in the Integrated
9 Marketplace. As I discuss in more detail below, Western-UGP will create “FSE
10 Schedules” for all energy transacted under the FSE, and SPP will remove charges for
11 congestion and losses from Western-UGP’s Settlement Statements for FSE transactions
12 associated with such FSE Schedules. In exchange, for these transactions, Western-UGP
13 will be excluded from obtaining the ARRs and TCRs that are generally available to
14 Transmission Customers for their related transmission reservations, and Western-UGP
15 will be excluded from receiving any allocation of the refunds for marginal loss revenue
16 over-collection. In lieu of paying marginal loss charges, Western-UGP will be required
17 to provide real power losses for the energy delivered under the FSE across the UMZ in
18 accordance with Attachment M of the Tariff.

19 **Q. DOES SPP PROVIDE SIMILAR TREATMENT FOR OTHER TYPES OF**
20 **TRANSMISSION SERVICE?**

21 **A.** Yes. The proposed FSE would function similarly to SPP’s Grandfathered Agreement
22 (“GFA”) Carve Out adopted for the Integrated Marketplace.

1 **Q. PLEASE EXPLAIN.**

2 **A.** In the Commission proceedings to establish the Integrated Marketplace, the Commission
3 directed SPP to implement a process to “carve out” certain GFAs from congestion and
4 marginal loss charges in the Integrated Marketplace. The Commission approved Tariff
5 provisions to implement the GFA Carve Out in Docket No. ER13-2078. Under these
6 provisions, SPP removes congestion and loss charges from the Settlement Statement of a
7 GFA Responsible Entity associated with a “GFA Carve Out Schedule.” The costs
8 associated with the GFA Carve Outs are allocated regionally to non-GFA Carve Out
9 parties through various GFA Carve Out Distribution Amounts and GFA Carve Out Uplift
10 provisions set forth in Attachment AE Sections 8.5.18 through 8.5.23 and Section 8.9.
11 Like the proposed FSE, entities with Carved Out GFAs are excluded from the ARR
12 allocation and TCR auction processes for these transactions and do not receive marginal
13 loss refunds. SPP tracks and accounts for the ARRs that would otherwise be associated
14 with Carved Out GFAs in its ARR allocation process, and where beneficial to other
15 Market Participants, the TCR revenues associated with such ARRs are used by SPP to
16 offset the allocation of the costs associated with the GFA Carve Outs to non-GFA Market
17 Participants.

18 **Q. IS SPP PROPOSING A SIMILAR COST ALLOCATION AND TCR REVENUE**
19 **OFFSET FOR COSTS ASSOCIATED WITH THE FSE?**

20 **A.** Yes. As discussed in more detail below, SPP is proposing similar treatment for the costs
21 associated with exempting Western-UGP from congestion and losses charges under the
22 FSE.

1 **Q. PLEASE EXPLAIN HOW SPP PROPOSES TO REFLECT THE FSE IN THE**
2 **TARIFF.**

3 **A.** SPP proposes in this filing several revisions to Attachment AE and other Tariff sections
4 to implement the FSE for congestion and losses in the Integrated Marketplace. First, as
5 Mr. Monroe describes, SPP proposes to modify Section 39.3 of the Tariff to add a new
6 subsection (e) outlining the FSE. Proposed Section 39.3(e) states that the FSE applies to
7 transmission of Federal Power – Western-UGP to the Statutory Load Obligations, and
8 Section 39.3(e)(ii) states that Western-UGP shall be exempt from congestion and
9 marginal loss charges for deliveries from its Federal Power – Western-UGP resources
10 across the UMZ to Western-UGP’s Statutory Load Obligations.

11 **Q. HOW WILL SPP IMPLEMENT THE EXEMPTION FOR DELIVERIES UNDER**
12 **THE FSE FROM CONGESTION AND MARGINAL LOSS CHARGES?**

13 **A.** Western-UGP will be exempt from congestion and marginal loss charges under the FSE
14 pursuant to proposed Section 8.2.3 of Attachment AE of the Tariff, which states that
15 Western-UGP shall not be charged for the cost of congestion and marginal losses for
16 actual energy transacted from Federal Power – Western-UGP resources across the UMZ
17 to Western-UGP’s Statutory Load Obligations. Under proposed Attachment AE Section
18 8.2.3(b), SPP will remove congestion and loss charges from Settlement Statements for
19 Western-UGP, but only if Western-UGP submits a FSE Schedule and (if applicable) an
20 E-Tag for the Day-Ahead Market for any FSE transactions. Removal of such charges
21 will be limited to a maximum MW capacity permissible under the FSE, based on
22 Western-UGP’s Statutory Load Obligations. In addition to submitting a FSE Schedule,

Western-UGP is required to update the FSE Schedule after the close of the Day-Ahead Market with the actual energy transacted. Western-UGP must submit an Import Interchange Transaction for any Federal Power – Western-UGP resource that is external to SPP, and, to be eligible for the FSE, Western-UGP must offer its Federal Power – Western-UGP resources into the Day-Ahead Market with a commitment status of self-committed or SPP-committed. The removal of congestion and losses charges from Settlement Statements is set forth in proposed Section 10.1(6) of Attachment AE.

Q. WHAT IS A FSE SCHEDULE?

A. A FSE Schedule is a schedule created by Western-UGP for all energy transacted under the FSE. As specified in proposed Section 8.2.3.1 of Attachment AE, Western-UGP must submit FSE Schedules for Resource Settlement Locations and Load Settlement Locations or FSE Transfer Points (for deliveries to Statutory Load Obligations within SPP but outside of the UMZ), and Western-UGP also must submit E-Tags for FSE transactions with Resource Settlement Locations or Load Settlement Locations external to SPP. The purpose of the FSE Schedule is to inform SPP of the delivery of Federal Power – Western-UGP so that SPP can administer the FSE and calculate the congestion and marginal loss charges that would have been imposed on the transaction but for the FSE. The FSE Schedule provisions are modeled after the GFA Carve Out Schedule provisions the Commission approved in Docket No. ER13-2078.

Q. WHAT IS A FSE TRANSFER POINT?

A. A FSE Transfer Point, as defined in the revised Section 1.1 of Attachment AE included in this filing, is a Settlement Location established by SPP that represents the point at which

ownership of the FSE energy transfers from Western-UGP to a Market Participant external to the UMZ but internal to SPP. As explained in more detail above and in Mr. Sundsted's testimony, the FSE is limited to Western-UGP's delivery of Federal Power – Western-UGP in the UMZ.

Q. HOW WILL SPP EXCLUDE TRANSMISSION CAPACITY ASSOCIATED WITH THE FSE FROM THE ARR AND TCR PROCESSES?

A. Under proposed Section 8.2.3(c) of Attachment AE, SPP will be required to account for the FSE in the TCR Markets, but ARRs are not allocated and TCRs are not assigned to Western-UGP for capacity associated with the FSE. As specified in proposed Section 7.0(c) of Attachment AE, firm transmission capacity associated with a FSE will not be eligible to participate in the TCR Markets (which are defined as both the annual and monthly TCR auctions and the ARR annual and monthly allocation processes); however, the capacity associated with each FSE will be included in SPP's ARR allocation and TCR auction processes, and the resulting ARRs and TCRs will be held by SPP and associated revenues will be used to offset the costs of implementing the FSE for congestion and losses (which, as I explain below, are allocated regionally). In the event that a Candidate ARR associated with FSE service is expected (based on congestion data for the previous 12 months) to result in a net charge, it will not be nominated for the periods during which such net charges are expected to arise. This process is modeled after the allocation and auction of ARRs and TCRs associated with Carved Out GFAs, which the Commission approved in Docket No. ER13-2078.

Section 7.0(c) also specifies the process for ARR and TCRs associated with FSE deliveries sinking outside the UMZ or outside the SPP Region.

Q. HOW ARE LOSSES ADDRESSED UNDER THE FSE?

A. As I explained above, proposed Attachment AE Section 8.2.3 states that SPP will remove all marginal loss charges from Western-UGP's Settlement Statements associated with FSE transactions. In lieu of paying marginal losses, Section 39.3(e)(ii) of the Tariff and Section 8.2.3(e) of Attachment AE specify that Western-UGP will provide real (physical) losses by including such losses in the FSE Schedules associated with its Federal Power – Western-UGP resources. The exact amount of such losses will be specified in Attachment M of the Tariff.

Day-Ahead Market Over-Collected Losses refunds associated with FSE Schedules are calculated under Section 8.5.16 of Attachment AE, but, rather than being refunded to Western-UGP, the refunds are included as a credit against the costs associated with the FSE that are allocated regionally to other Market Participants. This treatment is similar to the treatment approved by the Commission in Docket No. ER13-2078 for marginal loss refunds associated with Carved Out GFAs.

Q. YOU HAVE STATED THAT THE COSTS ASSOCIATED WITH THE FSE ARE ALLOCATED REGIONALLY. PLEASE EXPLAIN HOW THIS IS ACHIEVED.

A. Consistent with the approach the Commission approved for Carved Out GFAs in Docket No. ER13-2078, SPP proposes to calculate Day-Ahead daily, monthly, and yearly credits or charges for the FSE pursuant to Sections 8.5.18 through 8.5.20 of Attachment AE, and to allocate the costs to all non-GFA Carve Out Load and non-FSE Load using Day-Ahead

1 daily, monthly, and yearly distribution amounts set forth in Sections 8.5.21 through
2 8.5.23 and the GFA Carve Out/FSE Uplift provisions of Section 8.9 of Attachment AE.
3 Proposed Section 8.9 further provides that ARR/TCR settlement and over-collected
4 marginal loss refunds associated with FSE capacity and transactions will be used to offset
5 any uplift. Section 8.9 also specifies that the daily, monthly, and yearly uplift distribution
6 amounts associated with FSE Schedules cannot be charged or credited to Western-UGP
7 for the amount of load served under FSE Schedules.

8 **Q. IS SPP PROPOSING OTHER REVISIONS TO ATTACHMENT AE TO**
9 **IMPLEMENT THE FSE?**

10 **A.** Yes. In addition to the provisions described above, SPP is proposing to adopt additional
11 registration provisions in Section 2.2 of Attachment AE setting forth the information that
12 Western-UGP must provide to SPP, including: Resource Settlement Locations; Load
13 Settlement Locations; the maximum capacity contracted under the FSE; the identification
14 of Statutory Load Obligations; and any other information SPP reasonably requires. This
15 information will facilitate SPP's administration of the FSE.

16 **V. CONCLUSION**

17 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

18 **A.** Yes.

VERIFICATION

Pursuant to 28 U.S.C. § 1746, I state under penalty of perjury that the foregoing testimony is true and correct to the best of my information, knowledge and belief.

Executed this 8th day of September, 2014.

A handwritten signature in black ink, reading "Bruce A. Rew", is positioned above a horizontal line.

Bruce A. Rew
Vice President of Operations
Southwest Power Pool, Inc.

Exhibit No. SPP-5

Direct Testimony of Lloyd A. Linke

**IN THE UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Southwest Power Pool, Inc.

)
)
)

Docket No. ER14-____

DIRECT TESTIMONY OF

Lloyd A. Linke

**Operations Manager
Upper Great Plains Region
Western Area Power Administration**

September 11, 2014

1 **Q. Please state your name for the record.**

2 A. My name is Lloyd Arthur Linke.

3

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by the Western Area Power Administration (“Western”) as the
6 Operations Manager for the Upper Great Plains Customer Service Region
7 (“Western-UGP”).

8

9 **Q. What is your business address?**

10 A. Western Area Power Administration; 1330 41st Street SE; P.O. Box 790;
11 Watertown, SD 57201.

12

13 **Q: Would you briefly describe your post-high school education and your work**
14 **history? Please include your positions with Western and Alaska Power**
15 **Administration (“APA”).**

16 A. I received an Associate of Arts Degree in Engineering from Bismarck Junior
17 College in May of 1979 and a Bachelor of Science Degree in Electrical and
18 Electronic Engineering from North Dakota State University in May of 1981.
19 Since graduating from North Dakota State University I have spent over 31 years
20 working in the electric power industry. I started working in the electric power
21 industry as a system protection engineer with Western. I then went to work for

1 the APA as an electrical engineer, hydro-generation plant manager, power
2 division manager and finally as the Administrator for APA. I then returned to
3 Western to establish a maintenance engineering division within Western-UGP and
4 then to my current position. I have been in my current position for over 14 years.
5 In this position I manage Western-UGP's transmission dispatching, transmission
6 planning, transmission service, real time operation information technology, and
7 power billing functions. In this position I serve as the tariff administrator, using
8 Western's Open Access Transmission Tariff, for transmission service on the
9 Integrated System ("IS"), which consists of the transmission facilities of Basin
10 Electric Power Cooperative ("Basin Electric"), Heartland Consumers Power
11 District ("Heartland"), and Western-UGP.

12

13 **Q. How is your testimony organized?**

14 A. My testimony will describe why Western needs the revisions to Attachment AP of
15 the Southwest Power Pool ("SPP") Open Access Transmission Tariff ("Tariff")
16 dealing with the allocation of costs associated with reliability penalties; the
17 retention of Network Integrated Transmission Service ("NITS") revenue
18 associated with Zone 19 NITS load located outside of the SPP transmission
19 system; Western's unique rate development and approval process and how
20 Western is proposing it will function under the Tariff; the proposed changes
21 Western needs in the Governance Documents, including Stakeholder committee

1 membership and withdrawal provisions; and how Western-UGP intends to deal
2 with Western-UGP's West Interconnection transmission facilities.
3

4 **REVISION TO ATTACHMENT AP OF THE SOUTHWEST POWER**
5 **POOL OPEN ACCESS TRANSMISSION TARIFF, ALLOCATION**
6 **OF COSTS ASSOCIATED WITH RELIABILITY PENALTY**
7 **ASSESSMENTS**

8 **Q. What is the purpose of this section of your testimony?**

9 A. To discuss proposed revisions to Attachment AP of the Tariff related to the
10 allocation of costs associated with civil monetary penalties imposed due to
11 violations of North American Electric Reliability Corporation ("NERC")
12 Reliability Standards. The Tariff language is necessary to allow Western-UGP to
13 become a member of SPP. My testimony explains why Western needs the
14 revisions to Attachment AP of the Tariff and how the proposal benefits Western,
15 the Commission and other members of SPP.
16

17 **Q. Why is a revision necessary for Western-UGP membership?**

18 A. SPP in Attachment AP of the Tariff has provided notice to all Market Participants,
19 Members, and Terminated Members that they may potentially be responsible for
20 penalty costs assessed against SPP for confirmed violations of any NERC
21 reliability standards. There has been an outstanding legal question as to whether

1 NERC may impose monetary penalties on the federal government for violation of
2 NERC reliability standards. That question was before the United States Court of
3 Appeals for the District of Columbia Circuit, in Case No. 13-1033, at the time
4 proposed revisions to Attachment AP were developed and approved within the
5 SPP stakeholder process. DOE and Southwestern Power Administration are
6 parties to that case as is the Commission. Written briefs have been filed and oral
7 arguments were held on May 9, 2014. The Court of Appeals issued its decision
8 on August 22, 2014.

9
10 **Q. What is the proposed revision for Attachment AP?**

11 **A.** The proposed revision states:

12 4. Penalties allocated or attributable to Western-UGP
13 Notwithstanding anything in this Attachment to the
14 contrary, Western-UGP has not waived or conceded any
15 defense it may have, including sovereign immunity,
16 intergovernmental immunity, or lack of subject matter
17 jurisdiction in any action against it by an Enforcement
18 Authority, nor has Western-UGP accepted any liability,
19 responsibility, or obligation to pay any civil monetary
20 penalties or fines imposed by an Enforcement Authority to
21 which it would not have been subject in the absence of this
22 Agreement. "Enforcement Authority" in this Agreement
23 means the Commission, ERO, or RE with enforcement
24 authority pursuant to a delegation from an ERO or FERC
25 for the purpose of proposing and enforcing reliability
26 standards. The Transmission Provider does not concede or
27 accept responsibility for any portion of a penalty or fine
28 attributable to the actions or omissions of Western-UGP.
29 The Transmission Provider will identify the amount of any
30 penalty or fine that the Transmission Provider allocates to
31 Western-UGP or that the Transmission Provider determines

1 is attributable to Western-UGP and will identify that
2 amount to FERC as uncollectable and not otherwise owed
3 by the Transmission Provider.
4

5 **Q. Is this concept captured in documents other than the Tariff?**

6 A. Yes, it is found in proposed A1.11 of the Western-UGP Amendments to the SPP
7 Membership Agreement, and proposed section 8.7.5 of the SPP Bylaws.
8

9 **Q. What is the purpose of these proposed Tariff, Bylaws and Membership**
10 **Agreement changes?**

11 A. The purpose of the changes related to penalties is to allow Western/other Power
12 Marketing Administrations/DOE to maintain their legal position that a Federal
13 agency is not subject to civil monetary penalties. If there are further
14 developments on this issue, Tariff changes can be made, as necessary, to reflect
15 settled law.
16

17 **Q: Describe how other SPP members are protected by the proposed change to**
18 **the Tariff.**

19 A: SPP members expressed concern about assuming the cost of monetary penalties
20 incurred by the actions and inactions of Western-UGP or otherwise allocated to
21 Western-UGP. The proposed Tariff revision ensures that other SPP members will
22 not assume liability for actions and inactions of Western-UGP or any penalty
23 allocation to Western-UGP. SPP does not concede or accept responsibility for

1 any portion of a penalty or fine associated with an action or omission of Western-
2 UGP that SPP determines is attributable to Western-UGP or would otherwise be
3 allocated to Western-UGP. The language provides that such portion will be
4 reported to the Commission as uncollectable and not otherwise owed by SPP.
5

6 **Q. What is Western's position on whether it must comply with NERC**
7 **Reliability Standards?**

8 A. Western's position is that it must comply with NERC Reliability Standards. The
9 Department of Energy and Western support and work diligently to enhance the
10 safety and reliability of the nation's transmission system.
11

12 CONCLUSION

13 **Q. Please state your position with respect to revised SPP Tariff language in**
14 **Attachment AP, the Bylaws change, and the Membership Agreement**
15 **Amendment.**

16 A. Attachment AP, the revisions to the Bylaws, and the Membership Agreement
17 Amendment contain the Tariff language required by Western-UGP to join SPP.
18 The Tariff language ensures that other SPP members are not financially harmed.
19
20

RETENTION OF NETWORK INTEGRATED TRANSMISSION

SERVICE (“NITS”) REVENUE ASSOCIATED WITH

ZONE19/UPPER MISSOURI ZONE (“UMZ”) NITS LOAD

LOCATED OUTSIDE OF THE SPP TRANSMISSION SYSTEM

Q. What is the purpose of this section of your testimony?

A. To describe why the IS parties have requested changes to Attachment L of the SPP Tariff, dealing with the distribution of NITS revenue associated with Zone 19/UMZ network load outside of the SPP transmission footprint.

Q. Are any changes proposed to be made to the SPP Tariff related to Network Transmission Service revenue?

A. Yes. Attachment L of the SPP Tariff regarding NITS revenue distribution within Zone 19/UMZ is being changed.

Q. What section of Attachment L of the SPP Tariff is proposed to be changed and what language is proposed to be added to Attachment L of the SPP Tariff?

A. The current section II.B.2.(h) of Attachment L of the SPP Tariff is being changed to II.B.2.(i) and a new section will be inserted as II.B.2.(h). The new section (h) contains the following language:

(h) Section II.B.2(f) above does not apply to revenues

1 from a Network Customer having Network Load in Zone
2 19 which has designated Network Load outside the
3 Transmission Provider's Transmission System under
4 Section 31.3 of this Tariff designated prior to October 1,
5 2015. For such load, revenues collected by the
6 Transmission Provider for Network Integration
7 Transmission Service for such portion of the Network
8 Customer's Network Load shall be distributed among
9 Transmission Owners of Zone 19.
10

11 **Q. What is the purpose of this language?**

12 A. The purpose of the language is for Zone 19/UMZ to retain the NITS revenue
13 associated with Zone 19/UMZ NITS load located outside of the SPP footprint,
14 rather than sharing it with all the SPP transmission owners.
15

16 **Q. Why is it appropriate for the transmission owners in Zone 19/UMZ to retain**
17 **this NITS revenue?**

18 A. Approximately 25% of the IS load is located outside of the IS footprint. The IS
19 transmission system was designed to serve that load without relying on the
20 transmission systems of other SPP transmission owners. Therefore, it is
21 appropriate for the IS parties to retain the revenue associated with the current
22 Zone 19/UMZ NITS load outside of the SPP footprint rather than sharing it with
23 all of the SPP transmission owners.
24

25 CONCLUSION

26 **Q. Please state your position with respect to retention of NITS revenue**

2 A. It is appropriate for the Zone 19/UMZ transmission owners to retain the revenue
3 associated with NITS to existing loads outside of Zone 19/UMZ since the
4 transmission system within the Zone 19/UMZ was built to serve this load.

8 **Q. Were any changes required in the SPP governance documents and Tariff to**
9 **accommodate Western-UGP's rate development and approval?**

14

16 A. The changes are required to meet the requirements of the Department of Energy
17 Organization Act¹ (“DOE Act”). The DOE Act gave the authority to set the
18 power and transmission rates of the Power Marketing Administrations, including
19 Western, to the Secretary of Energy. The Secretary of Energy has delegated

¹ Western was established on December 21, 1977, pursuant to section 302 of the Department of Energy Organization Act, Public Law 95-91, dated August 4, 1977.

1 portions of this rate setting authority to various parties, including the
2 Commission, through the Department of Energy Delegation Order No. 00-37.00A
3 (“Delegation Order”). In the Delegation Order the Secretary of Energy has
4 delegated to the Western Administrator the authority to develop rates for Western
5 and requires the Administrator to certify the rate is consistent with applicable law
6 and is the lowest possible rate to the customers consistent with sound business
7 principles. The Deputy Secretary of Energy was delegated the authority to
8 approve the Western rates on an interim basis, with the Commission having the
9 authority to confirm, approve and place into effect on a final basis, remand, or
10 disapprove the rates developed by the Western Administrator.

11

12 **Q. Are there other requirements Western-UGP must follow when setting its**
13 **transmission rates?**

14 A. Yes, DOE has established procedures that Western must follow when establishing
15 its rates. The regulations published at 10 C.F.R. Part 903 establish procedures for
16 public participation in Western’s rate development process. One of the key
17 components of this regulation is that the rates are developed in an open and
18 transparent public process, which includes formal advance notice to the public,
19 with formal consultation and comment periods. The purpose of this notice,
20 consultation and comment period is to ensure interested parties can participate in
21 the development of the rates. Depending on the magnitude of the rate change the

1 regulation also requires information and comment forums. Western is required to
2 respond to comments and questions provided during the public process prior to
3 the Western Administrator certifying the rates.

4
5 **Q. How does Western-UGP provide notice to customers and the general public**
6 **regarding the initiation of a rate development process?**

7 A. When establishing transmission rates, it is Western-UGP's practice to provide
8 direct notification to all known Western-UGP transmission and power customers
9 through individual mailings. In addition, it posts a notice on its Open Access
10 Same-Time Information System (OASIS) website along with publishing the
11 notice in the Federal Register to provide notice to the general public.

12
13 **Q. Would this process be similar once Western-UGP joins SPP?**

14 A. Yes, Western-UGP would follow a similar process. However, given the SPP's
15 stakeholder-driven process, which Western-UGP fully supports, Western-UGP
16 will be incorporating into its process procedures to ensure participation by SPP
17 stakeholders. Western expects this process to include notification of the rate
18 process at a quarterly meeting of the SPP Markets and Operations Policy
19 Committee and Board of Directors meetings, along with individual notice to
20 customers taking SPP Network Integration Transmission Service in Zone 19.

21

1 **Q. What happens with the input gained during the public consultation/comment**
2 **process?**

3 A. Western-UGP is required to publically address questions and comments received
4 during its public process and to appropriately consider them in development of the
5 proposed rates. Western-UGP's actions and decisions must not be arbitrary or
6 capricious.

7

8 **Q. What happens next within the rate development process?**

9 A. After reviewing and addressing the comments Western's Administrator can
10 decide to move forward with approval of the proposed rate, make changes to the
11 proposed rate, or withdraw the rate proposal. If the Administrator chooses to
12 have the rate placed in effect on an interim basis, prior to final approval, the
13 Administrator must seek approval from the Deputy Secretary of Energy that the
14 rates be approved on an interim basis, pending final approval by the Commission.
15 The proposed rates, whether placed in effect on an interim basis or not, will be
16 filed with the Commission in order for them to be confirmed and placed in effect
17 on a final basis.

18

19 **Q. What information is submitted to the Commission for approval of Western-**
20 **UGP's rates?**

21 A. When filing with the Commission to request confirmation and approval of a rate

1 on a final basis, the Administrator will provide information in accordance with the
2 Commission regulations published in 18 C.F.R. Part 300. The regulation requires
3 the submission of an application, technical support for the rate and analysis of the
4 supporting data. The application is to include a letter requesting the approval, a
5 notice for filing in the Federal Register, the rate schedules, a statement of revenue
6 and related costs, an explanation of the rate development process and supporting
7 documents, and a certification from the Administrator that the rate is consistent
8 with applicable law and that it is the lowest possible rate consistent with sound
9 business principles. The technical support includes statements on A) Sales and
10 Revenue; B) Power Resources; C) Capitalized Investments or Costs; D) Interest
11 Expenses, Repayment of Investments and Debt Capital; E) Operation and
12 Maintenance and Other Annual Expenses; and F) Cost Allocations.

13

14 **Q. Have any limitations on the scope of the Commission's review been**
15 **established?**

16 A. As described previously, Congress granted the Secretary of Energy the authority
17 to establish rates for the Power Marketing Administrations; a portion of that
18 authority was delegated by the Secretary of Energy to the Commission in the
19 Delegation Order. The Delegation Order limits the Commission review of the
20 rates to ensure whether they are the lowest possible consistent with sound
21 business principles; whether the revenue generated is sufficient to cover the costs,

1 including repayment; and the assumptions and projections used in developing the
2 rate components that are subject to Commission review. The Delegation Order
3 provides that the Commission shall not review policy judgments or interpretations
4 of laws and regulations made by the non-Power Marketing Administration power
5 generating agencies, like the Corps of Engineers and Bureau of Reclamation. The
6 Delegation Order also provides the Commission the ability to reject a decision of
7 the Administrator where the Commission finds it to be arbitrary, capricious, or in
8 violation of law, or not in accordance with the standards set forth in RA6120.2 or
9 as set in any interagency agreement between the Administrator and any applicable
10 power generating agency. RA6120.2 establishes Western's financial reporting
11 policies, procedures and methodologies.

12

13 **Q. Do Western-UGP's current transmission rates follow any industry format?**

14 A. Yes, Western-UGP's current Annual Transmission Revenue Requirement
15 ("ATTR") was established using a template similar to that used in the
16 Midcontinent Independent System Operator's ("MISO") Attachment O.

17

18 **Q. Why has Western-UGP chosen to follow the MISO Attachment O template?**

19 A. In order to ensure consistency across the Integrated System ("IS"), as the IS tariff
20 administrator, Western-UGP determined that the use of a consistent template by
21 all the parties seeking revenue recovery under the Western OATT for any

1 transmission facilities was appropriate. Some entities seeking recovery of
2 transmission revenue associated with the IS already had facilities in MISO and
3 were already using the MISO Attachment O, so Western-UGP encouraged the use
4 of the MISO Attachment O for calculating a party's ATRR. To encourage
5 consistency, Western stated in its last rate process that it would accept an ATRR
6 calculation using a template that was consistent with MISO's Attachment O or
7 another Commission-approved template.

8
9 **Q. How will Western-UGP ensure subsidization does not occur between its**
10 **power and transmission customers occurs when it joins SPP?**

11 A. During Western-UGP's review of the Tariff, it did not see any reason to require
12 changes to Attachment AI of the Tariff, which provides the criteria for inclusion
13 of facilities in the SPP Tariff. Western-UGP currently lists all of the facilities
14 included in its transmission rate and the portion of the gross plant associated with
15 transmission and other types of facilities. When listing transmission plant and
16 transmission rates to be included in the Tariff, Western-UGP intends to include
17 only facilities meeting the criteria for inclusion found in Attachment AI of the
18 Tariff. The list of facilities would be included in the information provided in
19 Western-UGP's open and transparent public process, and the public and
20 stakeholders would be able to comment on the facilities, including the rationale
21 for them being included in the rate. Should Western-UGP wish to include

1 facilities that do not meet the current Tariff inclusion criteria, it would need to
2 request and support a change to the Tariff, which the Commission would need to
3 approve.

4
5 **Q. Are there any other guidelines/requirements that will help ensure certainty**
6 **in Western-UGP's transmission rates?**

7 A. Yes, all of Western-UGP's rates, by law, need to be cost-based and the lowest
8 possible rate consistent with sound business principles. This means that Western-
9 UGP does not include a rate of return or other non-cost based expense in its rate,
10 so there would be no need to review of magnitude of the return or expense.

11
12 **Q. How was this process incorporated into the Membership Agreement and**
13 **Tariff?**

14 A. Proposed section 3.10 Pricing of the Membership Agreement has been modified
15 to add a provision that allows Western-UGP, as a non-jurisdictional entity, to file
16 with the Commission Western-UGP rates pursuant to its Federal statutory and
17 regulatory requirements, including the Delegation Order, 10 C.F.R. Part 903 and
18 18 C.F.R. Part 300. Then section 3.11 of the Membership Agreement, No Waiver
19 of Jurisdictional Immunity, and section 39.3(k) of the Tariff, Western-UGP Rate
20 Review, have been modified to add language stating that the review of the rates of
21 Western-UGP (in Section 39.3(k) of the Tariff) or a Federal Power Marketing

1 Agency (in Section 3.11 of the Membership Agreement), will be consistent with
2 the Delegation Order, as superseded or amended by the Secretary of Energy, to
3 the Power Marketing Administrations and the Commission, as well as with the
4 regulations implementing the review. These sections give Western-UGP the
5 option to file or have SPP file on Western-UGP's behalf rates to be used in the
6 Tariff in accordance with the Delegation Order and the implementing regulations.
7 It also ensures that the Commission's review of those rates will be in accordance
8 with the Delegation Order and the implementing regulations.
9

10 CONCLUSION

11 **Q. Please state your position with respect to Western-UGP's unique rate**
12 **development and approval process.**

13 A. I believe the changes to the Tariff and Membership Agreement related to
14 Western-UGP's rate development and approval process are appropriate and
15 needed for Western-UGP to join SPP.
16

17 WESTERN-UGP REVISIONS TO GOVERNING DOCUMENTS

18 **Q. Please explain the proposed revisions to the SPP Governing Documents that**
19 **relate to Western-UGP's withdrawal from SPP.**

20 A. The revisions made to the SPP Governing Documents regarding Western-UGP's
21 withdrawal from SPP can be found in section 8.7.5(a) Limitation on Financial and

1 Penalty Obligations, of the SPP Bylaws and in section 4.2, Termination
2 Procedures and Effective Dates, of the Membership Agreement, and section
3 A1.10, Federal Power Marketing Agency Termination, of the Amendment to the
4 SPP Membership Agreement for Western-UGP. The revisions are needed to
5 recognize the unique statutory requirements that must be included in the SPP
6 Governing Documents in order for Western-UGP to become a full member of
7 SPP. Specifically, the SPP Bylaws are proposed to be modified to provide for
8 Western-UGP to withdraw from SPP in the event the Commission finds that SPP
9 has not adhered to all the Federal Power Marketing Agency Amendments
10 provided for in the Bylaws or if SPP files and the Commission approves material
11 changes to the Federal Power Marketing Agency Amendments. If either occurs
12 and Western-UGP withdraws from SPP, it can do so without being subject to the
13 financial obligations provided for in the Bylaws. Accordingly, the SPP
14 Membership Agreement also is being modified to recognize the unique
15 withdrawal provisions in the Bylaws and to provide for less than a twenty-four
16 month withdrawal notice should Western-UGP withdraw for specific reasons
17 provided for in the Bylaws. In lieu of the twenty-four month notice, the
18 Membership Agreement changes provide that SPP will confer with Western-UGP
19 to facilitate the withdrawal as soon as practicable or as necessary to ensure
20 compliance with Federal law.

21 **Q. Please provide the definition of the Federal Power Marketing Agency**

1 **Amendments.**

2 A. The Federal Power Marketing Agency Amendments are specifically defined in
3 the SPP Bylaws as: “The amendments and revisions to the SPP Bylaws, the SPP
4 Membership Agreement, or section 39.3 of the OATT that are required by a
5 Federal Power Marketing Agency for membership in SPP at the time of the
6 Federal Power Marketing Agency's initial membership or as they may be revised
7 in the future by mutual agreement between the Federal Power Marketing Agency
8 and SPP.”

9

10 **Q. Why is the proposed withdrawal provision for Western-UGP different than**
11 **those for Basin Electric and Heartland?**

12 A. Western-UGP’s unique requirements for withdrawal are based on the statutory
13 requirements Western has as a Federal Power Marketing Agency. The specific
14 withdrawal requirements for Basin Electric and Heartland are not based on
15 statutes. Further testimonies on Basin Electric’s and Heartland’s withdrawal
16 provisions are provided by Mike Risan of Basin Electric and John Knofcynski of
17 Heartland.

18

19 **Q. Please elaborate on the basis for Western-UGP’s proposed exemption from**
20 **financial obligations upon withdrawal.**

21 A. The proposed exemption from financial obligations upon withdrawal is meant to

1 hold Western-UGP harmless from actions taken by SPP which do not adhere to
2 all the Federal Power Marketing Agency Amendments provided for in the Bylaws
3 or if SPP unilaterally files and the Commission approves material changes to the
4 Federal Power Marketing Agency Amendments. The proposed exemption is
5 limited to those actions taken by SPP.
6

7 **Q. What if none of the specified triggering events occur, but Western-UGP**
8 **nonetheless decides to withdraw? Would Western-UGP be responsible for**
9 **payment of financial obligations under those circumstances?**

10 A. If Western-UGP were to withdraw for other reasons, including but not limited to a
11 voluntary withdrawal or as a result of a future statute requiring Western-UGP to
12 withdraw, Western-UGP would be subject to the financial obligations as provided
13 for in the SPP Governing Documents.
14

15 **Q Are there any changes proposed to be made to the Governing Documents**
16 **associated with Western-UGP's becoming a member of SPP that affect the**
17 **SPP stakeholder committee structure?**

18 A. Yes, there are two proposed changes to the Bylaws. The first is in section 5.1.1.1,
19 Composition, and involves the addition of a member to the Members Committee.
20 That representative shall be from a Federal Power Marketing Agency. The
21 second is a change to section 6.6, Corporate Governance Committee, and involves

1 adding a member to the Corporate Governance Committee that shall be a
2 representative of and selected by a Federal Power Marketing Agency Member(s).

3
4 **Q. Why did Western-UGP request the changes in the membership of the**
5 **Members Committee and Corporate Governance Committee?**

6 A. Section 1232(c)(2) of the Energy Policy Act of 2005 ("EPAct 05") requires that
7 when a Federal Power Marketing Agency joins a Transmission Organization that
8 the contract, agreement or arrangement contain provisions for monitoring and
9 oversight by the Federal utility of the Transmission Organization's terms and
10 conditions of the contract, agreement, or other arrangement. Given that SPP has
11 an independent Board, Western-UGP is meeting this statutory requirement
12 through a position on the Members Committee. The Members Committee
13 functions as critical advisor to the Board of Directors and it is imperative that that
14 Federal perspective is communicated directly at that level and not filtered through
15 a non-Federal sector member on the Member Committee or through other
16 stakeholder channels. In turn, the Corporate Governance Committee plays a
17 critical role in the oversight of the Membership Agreement as well as the Bylaws,
18 and Western-UGP's feedback on the oversight of those documents is critical for
19 the same reasons.

20
21 EPAct '05 includes a mandatory requirement that any contract, agreement, or

1 arrangement between a Federal Power Marketing Agency and a Transmission
2 Organization include performance standards regarding the operation and use of
3 the transmission system that the Administrator determines are necessary. Rather
4 than insert a list of specific performance standards and requirements as well as
5 consequences for non-performance into the Membership Agreement, Bylaws and
6 Tariff, Western-UGP intends to use the Federal Power Marketing Agency seat on
7 the Members Committee to ensure that it has the ability to monitor the
8 Transmission Organization's performance. The Members Committee has full
9 access to information that the Board of Directors reviews in monitoring the
10 performance of SPP. General members' access to this information is limited by
11 confidentiality provisions, so a general member will not be able to see all of the
12 information necessary for the required Federal Power Marketing Agency
13 oversight. In addition, given Western's status as a Federal Power Marketing
14 Agency, a non-Federal entity cannot adequately represent its unique Federal
15 perspective to the Board of Directors without a seat on both the Members
16 Committee and Corporate Governance Committee.

17
18 **Q. Are there proposed changes to the Membership Agreement to facilitate**
19 **Western's compliance with the performance standards, monitoring, and**
20 **oversight requirements of section 1232(c) of EPAct 05?**

21 A. Yes, proposed A1.3 of the Western-UGP Amendments to the SPP Membership

1 Agreement delineates how Western will comply with these requirements.

2

3 **Q. Are there any other proposed changes to the SPP Governing Documents you**
4 **would like to discuss?**

5 A. Yes, there is a proposed change to section 10, Amendments, to the Bylaws that
6 requires any changes to Federal Power Marketing Agency representation in
7 section 5.1.1 and any changes to section 8.7.5, Limitation on Financial and
8 Penalty Obligations, need to be mutually agreeable to both SPP and the Federal
9 Power Marketing Agency Member.

10

11

CONCLUSION

12 **Q. Please state your position with respect to the proposed Governance language**
13 **in the SPP Bylaws and Membership Agreement.**

14 A. The proposed withdrawal language in the Governance Documents is needed to
15 hold Western-UGP harmless from changes SPP may make to the Tariff that
16 would not adhere to the Western Amendments and would require its withdrawal.
17 Additionally, the proposed revisions to the make-up of the Members Committee
18 and Corporate Governance Committee are required to comply with the
19 requirements of EAct '05.

20

21

1 **WESTERN-UGP FACILITIES IN THE WESTERN INTERCONNECTION**

2 **Q. What will happen to Western-UGP's facilities in the Western**
3 **Interconnection?**

4 A. Western-UGP does not intend to place its Western Interconnection transmission
5 facilities under the Tariff through its Transmission Owning membership in SPP.
6 Western-UGP does intend to develop a contractual arrangement with SPP, such
7 that transmission service of its Western Interconnection transmission facilities
8 will be sold under the Tariff by SPP. However, this contractual arrangement will
9 not place its Western-UGP Western Interconnection Statutory Load Obligation or
10 Federal generation in the SPP Integrated Marketplace. This will be similar to the
11 arrangement between SPP and the Southwestern Power Administration
12 ("SWPA") under which SPP sells service on SWPA transmission facilities under
13 the Tariff, while SWPA continues to not be a Transmission-Owning member of
14 SPP. Western-UGP will remain the Balancing Authority operator for its Western
15 Interconnection Balancing Authority Area. It is also Western-UGP's intention to
16 have a common pricing zone for both its West and East Interconnection
17 transmission facilities, similar to what is in place today. This will prevent the
18 creation of any new pancaking of transmission rates. The final determination of
19 whether the West and East Interconnection transmission facilities will be in a
20 common pricing zone will depend on the specific terms of the SPP and Western-
21 UGP contractual arrangement and the outcome of Western-UGP's public rate

1 process establishing the annual transmission revenue requirement for the facilities
2 placed under the Tariff. All load in the Western Interconnection will be exempt
3 from Regional Cost Sharing in SPP, associated with Eastern Interconnection, if
4 served from resources also in the Western Interconnection, as is reflected in Tariff
5 section 39.3(e)(i) and Tariff Schedule 11, II(B)(2).
6

7 **Q. Will the contract describing this arrangement be filed with the Commission?**

8 A. It is Western-UGP understanding that SPP will file this contract with the
9 Commission as an appendix to the Tariff.
10

11 **Q. How will Western-UGP generation in the Western Interconnection be**
12 **treated?**

13 A. Western-UGP generation in the Western Interconnection will qualify as planning
14 reserves in the Eastern Interconnection UMZ.
15

16 **Q. Does this conclude your testimony?**

17 A. Yes.

IN THE UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION


Southwest Power Pool, Inc.

)
)
)

Docket No. ER14-____-000

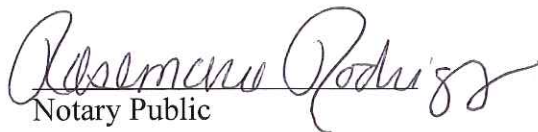
STATE OF COLORADO)
CITY OF LAKEWOOD)
COUNTY OF JEFFERSON)

I HEREBY CERTIFY that the attached testimony in this docket was prepared by me and the answers contained in my testimony are true and correct to the best of my knowledge and belief.



Lloyd A. Linke

Subscribed and sworn to before me this 27th of August, 2014.


Notary Public

My Commission expires:

March 03, 2018

(Seal)

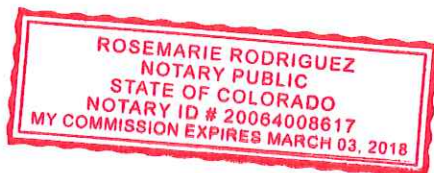


Exhibit No. SPP-6

Direct Testimony of Steven Sanders

**IN THE UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Southwest Power Pool, Inc.

)
)
)

Docket No. ER14-____

DIRECT TESTIMONY OF

**Steven Sanders
Operations & Transmission Advisor
Western Area Power Administration
Upper Great Plains Region**

September 11, 2014

1 **Q. Please state your name for the record.**

2 A. My name is Steven Sanders.

3

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by the Western Area Power Administration (“Western”) as the
6 Operations & Transmission Advisor for the Upper Great Plains Customer Service
7 Region (“Western-UGP”). In my position I manage the administration of
8 Western’s Open Access Transmission Tariff (“Western OATT”) in the Western-
9 UGP, including the Western-UGP Generator Interconnection and Transmission
10 Service queues, in addition to other responsibilities.

11

12 **Q. What is your business address?**

13 A. 2900 4th Ave. North, Room 600, Billings, MT 59101.

14

15 **Q: Would you briefly describe your post-high school education and your work**
16 **history?**

17 A. I have held my present position as the Operations and Transmission Advisor for
18 Western-UGP since 2008. I have been employed by Western-UGP since 1982. I
19 worked as the Lead Engineer in Transmission System Planning from 1996 to
20 2008, where I oversaw the Western-UGP Open Access Same-time Information
21 System (“OASIS”), administered Western’s OATT, and provided operations

1 support. I previously worked as an Electric Engineer in Transmission System
2 Planning from 1982 to 1996, where I performed transmission planning and
3 operations support.

4
5 I received a Bachelor's Degree in Electrical Engineering from Montana State
6 University in 1986. I am a registered Professional Engineer in the state of
7 Montana.

8
9 **Q. What is the purpose of your testimony?**

10 A. This testimony will explain Western-UGP's need for the proposed changes to
11 Attachment V, Generator Interconnection Procedures ("GIP") including
12 Generator Interconnection Agreement ("GIA"), of Southwest Power Pool's
13 ("SPP") Open Access Transmission Tariff ("Tariff"), which along with other
14 proposed changes to SPP's Tariff, are necessary to allow Western-UGP to join
15 SPP as a full Transmission Owning member.

16

17 **Q. How is your testimony organized?**

18 A. My testimony will address the following areas:

19 I) Outline Western's unique requirements that cannot be met with SPP's
20 existing GIP and associated GIA and Interim GIA ("IGIA");

21 II) Describe Western's need and reasons for the proposed revisions to

1 Attachment V of the SPP Tariff to allow SPP to administer Generator
2 Interconnection requests that result in an interconnection or modification to the
3 Western-UGP Federal transmission facilities; and
4 III) Describe the additional procedural steps and anticipated impacts to the
5 Interconnection Customer for Generator Interconnection requests that result in an
6 interconnection or modification to the Western-UGP Federal transmission
7 facilities.

8
9 **WESTERN'S UNIQUE REQUIREMENTS THAT CANNOT BE**
10 **MET WITH SPP'S EXISTING GENERATOR INTERCONNECTION**
11 **PROCEDURES/AGREEMENTS**

12 **Q. What are Western-UGP's unique requirements that impact Generator**
13 **Interconnections under SPP's existing GIP?**

14 A. As a Federal agency, Western must comply with applicable Federal laws and
15 regulations, including but not limited to: 1) Environmental Review requirements,
16 2) Advance Funding requirements, and 3) Liability Limitations.

17
18 **Q. Describe Western's Environmental Review requirements that impact**
19 **Generator Interconnections.**

20 A. As a Federal agency, Western must comply with various environmental and
21 natural resource laws regulating the construction, operation and maintenance of

1 its transmission facilities, including but not limited to the National Historic
2 Preservation Act, 16 U.S.C §§ 470 to 470x-6; the National Environmental Policy
3 Act of 1969, 42 U.S.C. §§ 4321-4347 ("NEPA"); the Endangered Species Act, 16
4 U.S.C. §§ 1531-1544; and the Archaeological Resources Protection Act of 1979,
5 16 U.S.C. §§ 470aa-470mm. It also must comply with regulations and Executive
6 Orders implementing these laws, as they may be amended or supplemented, as
7 well as any other existing or subsequent applicable laws, regulations and
8 Executive Orders.

9
10 Given these requirements, Generator Interconnection requests that result in an
11 interconnection or modification to the Western-UGP Federal transmission
12 facilities require an Environmental Review under NEPA. Western must
13 determine the level of Environmental Review to be applied, per the United States
14 Department of Energy ("DOE") NEPA Implementing Procedures (10 C.F.R. Part
15 1021), and such level of review may require an Environmental Impact Statement
16 ("EIS"), Environmental Assessment ("EA"), or other review. Western-UGP's
17 NEPA review could result in a decision not to take action (deny the
18 interconnection) or to delay action (delay the interconnection). Until a NEPA
19 decision document is issued (e.g., an EIS with its Record of Decision ("ROD")),
20 no construction activities relating to an interconnection or modification to the
21 Western-UGP Federal transmission facilities may commence. Therefore,

1 construction of Western-UGP related Transmission Owner Interconnection
2 Facilities and Network Upgrades needed to accommodate a Generator
3 Interconnection Request under the SPP Tariff is subject to the NEPA decision
4 document.
5

6 **Q. Describe Western's Advance Funding requirements that impact generator**
7 **interconnections.**

8 A. Pursuant to the Antideficiency Act, 31 U.S.C. § 1341, as a Federal agency,
9 Western cannot "make or authorize an expenditure or obligation exceeding an
10 amount available in an appropriation or fund for the expenditure or obligation." In
11 the absence of appropriated funds, Western requires advance deposit of funds
12 when it is required to perform any work for third parties. As such, Western-UGP
13 must receive an advance deposit of funds pursuant to Federal law, including the
14 Federal Contributed Funds Act, 43 U.S.C. § 395, prior to Western-UGP
15 committing to perform any work pursuant to the SPP Tariff.
16

17 **Q. Describe Western's liability limitations that impact generator**
18 **interconnections.**

19 A. As a Federal agency, Western cannot indemnify the Generator Interconnection
20 Customer or SPP due to the Antideficiency Act, 31 U.S.C. § 1341 as amended or
21 supplemented. Western's liability is instead determined in accordance with the

1 Federal Tort Claims Act, 28 U.S.C. §§ 1346(b), 2401(b), 2402, 2671, 2672, 2674-
2 2680, as amended or supplemented.
3

4 **Q. Describe Western's other unique requirements that impact generator**
5 **interconnections that are addressed in SPP's proposed Tariff modifications.**

6 A. As a Federal agency,

- 7 1) Western cannot allow a Generator Interconnection Customer to assign a
8 GIA/IGIA that Western is a party to absent Western's prior concurrence.
9 2) Western is not subject to the jurisdiction of state regulatory bodies.
10 3) Western does not pay taxes as a general rule, and thus any language in that
11 regard has been removed.
12 4) Western has additional obligations regarding environmental releases.
13 5) Western requires limits to the term of agreements that it executes.
14 6) Western is self-insured.
15 7) Federal law applies to disputes involving Western.
16

17 **WESTERN'S NEED AND REASONS FOR PROPOSED REVISIONS**
18 **TO ATTACHMENT V OF SPP'S TARIFF**

19 **Q. Describe the proposed approach to incorporate Western's unique**
20 **requirements, as a Federal agency, into Attachment V.**

21 A. The proposed modifications to SPP's standard GIP address Western's unique

1 requirements. Because of the large number of changes that are required in the
2 GIA (and IGIA) before Western-UGP could execute them along with the
3 complexity of revising the agreements to address both Western-UGP and non-
4 Western-UGP interconnections within a single agreement, SPP is proposing a
5 separate GIA and IGIA that will be used only for interconnections to Western-
6 UGP's Federal transmission system where Western-UGP will be a party to the
7 agreement as a Transmission Owner. All references to the GIA/IGIA in later
8 portions of my testimony will refer to the unique Western-UGP-only versions in
9 proposed Appendices 13 and 14 to Attachment V of the SPP Tariff.

10
11 In addition, due to Western's need to comply with NEPA requirements and the
12 long timeframes associated with doing so, and Western's other statutory and
13 budgetary obligations, SPP is proposing modifications to GIP Section 2.1.3 to
14 require that in the case where an inverter-based Small Generating Facility no
15 larger than 10kW will result in an interconnection or modification to the Federal
16 transmission facilities of Western-UGP, such Interconnection Request shall be
17 evaluated under GIP Section 14 (Fast Track Process), as modified, instead of
18 under GIP Appendix 11. SPP, as noted below, has proposed modifications to the
19 Fast Track Process to address Western-UGP's NEPA and other Federal
20 requirements. These changes are similar to corresponding changes to Western's
21 OATT that have been previously accepted by FERC, where Western, due to the

constraints noted above, removed the Fast Track and 10kW Inverter Processes.¹

Q. How are the Western-UGP GIA/IGIA, proposed for interconnections to Western-UGP's Federal transmission facilities where Western-UGP is the Transmission Owner executing the GIA/IGIA, incorporated into the GIP?

A. GIP Sections 11.1 and 11.A.3.1 are modified to reflect that the Western-UGP form of the GIA/IGIA will be offered to the Interconnection Customer (Appendices 13 and 14 respectively) when Western-UGP is a Party to the agreement as the Transmission Owner. These Appendices note, "For use when Western-UGP is a Party to the GIA/IGIA, as the Transmission Owner". The proposed changes to the GIA/IGIA, as described in my testimony, are similar to the corresponding Large Generator Interconnection Agreement ("LGIA") changes that the Commission has previously accepted under Western's OATT.²

Q. How are Western-UGP's NEPA requirements incorporated into the proposed GIP revisions?

A. SPP has proposed the inclusion of a new Definition in the GIP for Environmental Review, and new GIP Sections 3.3.5 and 8.6.1 (for large generator requests) and Sections 14.2.1.13 and 14.3.4 (for small generator requests) to outline the required

¹ See, 119 FERC ¶ 61,329, Order Conditionally Granting Petition for Declaratory Order, June 28, 2007, Docket No. NJ07-2-000.

² *Id.*; and 112 FERC ¶ 61,044, Order Conditionally Granting Petition for Declaratory Order, July 6, 2005, Docket No. NJ05-1-000; and 133 FERC ¶ 61,193, Order Granting Petition for Declaratory Order, December 2, 2010, Docket No. NJ10-1-000.

1 Environmental Review in the event that the Interconnection Request will result in
2 an interconnection or modification to the Federal transmission facilities of
3 Western-UGP. These sections outline the procedures for the Interconnection
4 Customer to initiate the required Environmental Review with Western-UGP,
5 which are similar to the corresponding procedures that the Commission has
6 previously accepted under Western's OATT.³ Western-UGP intends to post
7 additional details about the timeframes, estimated costs, and other details noted in
8 GIP Section 8.6.1 for various levels of the Environmental Review under the
9 business practice postings on the SPP OASIS. Under Western's existing OATT,
10 Western has posted examples of the generic clauses that are included in the
11 Environmental Review agreement (for an EIS or EA level of Environmental
12 Review) on its OASIS.⁴ Western-UGP intends to post these templates on the SPP
13 OASIS.

14
15 **Q. How will NEPA requirements be included in the GIA/IGIA, where Western-**
16 **UGP is the Transmission Owner?**

17 A. SPP has proposed the inclusion of the Environmental Requirements in Appendix
18 A of the GIA/IGIA, which note the GIA/IGIA "is subject to completion of the
19 appropriate National Environmental Policy Act (NEPA) level of Environmental

³ See 133 FERC ¶ 61,193, Order Granting Petition for Declaratory Order, December 2, 2010, Docket No. NJ10-1-000.

⁴ See the EIS and EA Environmental Review Agreement templates posted on Western's existing OASIS page at: <http://www.oasis.oati.com/WAPA/WAPAdocs/WAPA-Tariff-Docs.htm>.

1 Review. Until a NEPA decision document is issued, no construction activities
2 related to Transmission Owner's Interconnection Facilities and/or Network
3 Upgrades may commence." The specific details of the Environmental Review
4 requirements and the Interconnection Customer's responsibilities in connection
5 with such review for the Interconnection Request will be set forth in Appendix A
6 of the GIA/IGIA.

7
8 **Q. Can Western-UGP's NEPA requirements potentially impact generator**
9 **interconnections with other Transmission Owners in SPP?**

10 A. Yes, although the likelihood of such occurring is not high. The NEPA
11 Environmental Review requirements must be met in the event that the Generator
12 Interconnection Request will result in an interconnection or modification to the
13 Federal transmission facilities of Western-UGP, as set forth in the proposed
14 modifications to GIP Sections 3.3.5 and 14.2.1.13. Therefore, if an
15 Interconnection Facility Study for a generator that is directly connected to another
16 Transmission Owner identifies facility improvements necessary to accommodate
17 the Generator Interconnection Request and those facility improvements will result
18 in an interconnection or modification to Western-UGP's transmission facilities,
19 then the Environmental Review will be required.

20
21 **Q. Can an Interconnection Customer execute a GIA/IGIA, where Western-UGP**

1 **is the Transmission Owner, prior to the completion of the Environmental**
2 **Review?**

3 A. Yes. SPP has proposed revisions to GIP Sections 11.1, 11A.3.1, and 14.2.4,
4 similar to corresponding procedures that the Commission has accepted under
5 Western's OATT, to provide that the GIA/IGIA can be executed prior to the
6 completion of the Environmental Review; however the GIA/IGIA is subject to
7 completion of the required NEPA level of Environmental Review. SPP has
8 proposed the inclusion of the Environmental Requirements in Appendix A of the
9 GIA/IGIA, which note the GIA/IGIA "is subject to completion of the appropriate
10 National Environmental Policy Act (NEPA) level of Environmental Review.
11 Until a NEPA decision document is issued, no construction activities related to
12 Transmission Owner's Interconnection Facilities and/or Network Upgrades may
13 commence." The specific details of the Environmental Review requirements for
14 the Interconnection Request will be set forth in Appendix A of the GIA/IGIA.

15
16 **Q. How are Western's Advance Payment requirements incorporated into the**
17 **proposed revisions?**

18 A. SPP has proposed revisions to GIP section 9 requiring advance payment for an
19 Engineering and Procurement ("E&P") Agreement executed by Western-UGP.

20
21 Further, SPP has proposed revisions to the GIA/IGIA Article 11.7 (Provision of

1 Security) providing that “Payments for any upgrades installed by the
2 Transmission Owner will be addressed in accordance with Article 11.8 of this
3 GIA.”, and proposed a new Article 11.8 to address Western’s Advance Payment
4 requirements. Western does not accept a provision of security in lieu of actual
5 payment to perform services such as procuring, constructing, and installing
6 interconnection facilities and Network Upgrades and other facilities; rather
7 Western requires advance payment to do so consistent with the Federal
8 Contributed Funds Act, 43 U.S.C. § 395. This change is consistent with the
9 modifications to Western’s OATT previously accepted by the Commission.⁵

10

11 **Q. How are Western’s Liability Limitation requirements incorporated into the**
12 **proposed revisions?**

13 A. SPP has proposed revisions to GIA/IGIA Article 18.1 (Indemnity) stating
14 “Notwithstanding the provisions of Article 18, the liability of the Transmission
15 Owner shall be limited to and determined in accordance with the Federal Tort
16 Claims Act, 28 U.S.C. §§ 1346(c), 2401(b), 2402, 2671, 2672, 2674-2680, as
17 amended or supplemented.” This change to the GIA/IGIA is consistent with the
18 modifications to Western’s OATT previously accepted by the Commission.⁶

19

⁵ See 112 FERC ¶ 61,044, Order Conditionally Granting Petition for Declaratory Order, July 6, 2005, Docket No. NJ05-1-000.

⁶ *id.* and 119 FERC ¶ 61,329, Order Conditionally Granting Petition for Declaratory Order, June 28, 2007, Docket No. NJ07-2-000.

1 Further, SPP has eliminated from the GIA/IGIA any reference to payment of
2 Liquidated Damages insofar as the possibility of such payment would expose
3 Western-UGP to financial exposure above and beyond Congressional
4 appropriations or authorization to expend funds, thereby potentially causing
5 Western-UGP to violate the Antideficiency Act, 31 U.S.C. § 1341, as amended or
6 supplemented. This change is consistent with the modifications to Western's
7 OATT previously accepted by the Commission.

8
9 SPP has also proposed revisions to GIA/IGIA Article 18.3 (Insurance) and added
10 Article 18.4 to clarify that Western, as a Federal agency, is self-insured and as a
11 practice does not purchase insurance. Therefore, Article 18.3 only applies to the
12 Interconnection Customer. Article 18.4 states that Western-UGP is self-insured.
13 These changes are consistent with the modifications to Western's OATT
14 previously accepted by the Commission.⁷

15
16 **Q. How are Western's other unique requirements that impact generator**
17 **interconnections incorporated into the proposed revisions?**

18 A. 1) SPP has proposed language in GIP Section 2.5 "Participation by the
19 United States Subject to Federal Laws and Regulations" and also in GIA/IGIA
20 Articles 30.4 to incorporate Section 39.3 of the SPP Tariff as if it were part of the
21 GIP and GIA/IGIA. Section 39.3 of the SPP Tariff specifically addresses

⁷ *id.*

1 Western-UGP's participation under the SPP Tariff, and provides that such
2 participation is subject to Federal laws and regulations.

3 2) SPP has proposed language in GIP Section 13.1.8, GIP Appendix 9, and
4 GIA/IGIA Articles 5.13, 14.2, 22.1.10, and 28.1.1 which clarifies that it is
5 governed by Federal or state laws, and Federal regulations, as applicable.

6 3) Pursuant to the Federal Anti-Assignment Act, 31 U.S.C. § 15, an
7 Interconnection Customer cannot assign to another party the GIA/IGIA with
8 Western-UGP, absent Western-UGP's consent. Therefore, GIA/IGIA Article 19
9 is proposed to be modified to reflect this requirement.

10 4) In accordance with Western's environmental obligations as a Federal
11 entity, SPP has clarified in the proposed additions of GIA/IGIA Articles 23.2 and
12 23.3 that each party to the GIA/IGIA shall remedy any release of hazardous
13 substances present at the interconnection or generation site as soon as practicable,
14 and that the parties shall comply with applicable Federal, state and local
15 environmental laws when performing all actions under the GIA/IGIA.

16 5) SPP has proposed modifications to GIA/IGIA Article 2.2 (Term of
17 Agreement) to match those utilized under its existing LGIA, which has been
18 previously accepted by the Commission. The modifications to the GIA explicitly
19 limited the maximum term of the GIA to 40 years, along with a requirement that
20 the Interconnection Customer provide five years advance written notice of its
21 intent to extend the term of the GIA. Western-UGP agrees to enter into good faith

1 discussions to extend the term. This modification gives Western-UGP the ability
2 to secure necessary funds in advance of the need to physically accommodate a
3 GIA term beyond the typical 40-year lifespan of Interconnection Facilities,
4 thereby providing Western-UGP the means to avoid potential violations of the
5 Antideficiency Act, 31 U.S.C. § 1341, as amended or supplemented. The term of
6 the IGIA has simply been limited to two (2) years from the Effective Date, which
7 in consultation with SPP will provide sufficient time to transition to the GIA, and
8 will address Western's needs.

9
10 **Q. Describe any other proposed revisions to the GIP or GIA/IGIA and the basis**
11 **for such revisions.**

12 A. 1) SPP has proposed changes to Article 7.4 of the GIA/IGIA to provide that
13 Western-UGP owned meters will be tested in accordance with Western-UGP's
14 meter testing policies, which will be posted on SPP's OASIS. Western-UGP has
15 established testing policies for state-of-the-art meters that have test intervals
16 exceeding two years. These testing policies take into consideration resources
17 available for inspection, as well as the need for inspection give the reliability of
18 current equipment. This change is consistent with Western's LGIA Article 7.4,
19 which has been previously accepted by the Commission.⁸

20 2) SPP has proposed removal of GIA/IGIA Article 5.17 (Taxes) as this

⁸ See 112 FERC ¶ 61,044, Order Conditionally Granting Petition for Declaratory Order, July 6, 2005, Docket No. NJ05-1-000.

1 language is not applicable to Western-UGP. This change is consistent with the
2 change made to Western's LGIA, which has been previously accepted by the
3 Commission.⁹
4

5 **DESCRIPTION OF ADDITIONAL PROCEDURAL STEPS AND**
6 **ANTICIPATED IMPACTS TO INTERCONNECTION CUSTOMER**
7 **FOR INTERCONNECTIONS OR MODIFICATIONS TO**
8 **WESTERN-UGP'S FACILITIES**

9 **Q. What additional procedural steps apply for an Interconnection Customer**
10 **when its Interconnection Request will result in an interconnection or**
11 **modification to the Western-UGP Federal transmission facilities?**

12 A. The Environmental Review, as outlined in the proposed GIP Sections 3.3.5 and
13 14.2.1.13, will be required. The Interconnection Customer will be required, as
14 described in GIP Sections 8.6.1 and 14.2.1.13, to execute an Environmental
15 Review agreement with Western-UGP and provide funding for the study. For an
16 Interconnection Request that directly interconnects to a Western-UGP
17 transmission facility, the parties would execute a GIA/IGIA under Attachment V
18 Appendices 13 and 14 instead of the standard SPP agreements in Appendices 6
19 and 8.
20

⁹ *id.*

1 **Q. What are the anticipated impacts of Western-UGP's additional NEPA**
2 **requirements?**

3 A. Potentially, it may take additional time and increased study costs to obtain a
4 completed Interconnection Request, depending upon the level of Environmental
5 Review necessary. Additionally, construction activities related to interconnection
6 or modifications to Western-UGP's Federal transmission facilities cannot
7 commence until a ROD under NEPA is obtained, and therefore the
8 Interconnection Customer's desired in-service date may be impacted.

9

10 **Q. Can Western-UGP's additional NEPA requirements impact an**
11 **Interconnection Customer's request to directly interconnect to a non-**
12 **Western-UGP SPP facility?**

13 A. Yes, as noted above. However, this potentially could occur regardless of whether
14 Western-UGP becomes a full transmission owning member of SPP.

15

16 **Q. Do the proposed SPP Tariff Attachment V revisions include any procedures**
17 **to mitigate the impacts to the Interconnection Customer?**

18 A. SPP has proposed provisions in GIP Sections 3.3.5 and 14.2.1.13 that allow the
19 Interconnection Customer to request that the Environmental Review be initiated
20 prior to the start of an Interconnection Study under the GIP due to longer NEPA
21 study time requirements.

1

2 SPP has also proposed revisions, as noted above, that allow the parties to execute
3 the GIA/IGIA while the Environmental Review is still ongoing and before the
4 ROD is issued. This allows the parties to proceed with certain obligations under
5 the agreement to expedite the project.

6

7 **Q. Are the impacts to the Interconnection Customer consistent with the impacts**
8 **that the Interconnection Customer would experience today for an**
9 **interconnection request under Western's OATT, or an Interconnection**
10 **Request under SPP's Tariff that identifies necessary Affected System**
11 **upgrades to Western-UGP's facilities?**

12 **A.** Yes. Even in the case described above where the direct interconnection is to
13 another Transmission Owner, facility upgrades to Western-UGP's transmission
14 facilities, even as an Affected System, would require an Environmental Review
15 presently under Western's OATT.

16

17

CONCLUSION

Q. Please state your position with respect to proposed changes to address Western's unique Federal requirements.

A. SPP has proposed revisions to Attachment V of its Tariff that are consistent with the changes that Western has previously submitted under its own OATT and which received approval from the Commission. These revisions are required by Western to comply with its requirements, as a Federal agency, and will allow Western-UGP to facilitate interconnection of Generation Facilities as a full Transmission Owning member of SPP. Due to the fact that SPP will assume many of the obligations under the GIP and in the GIA/IGIA in its role as the Transmission Provider, a number of the necessary changes that Western has previously submitted and received approval of by the Commission under its existing Western OATT are not proposed in the SPP Tariff, as they are not required given that Western-UGP, as a full member of SPP, will not be the Transmission Provider.

The proposed approach to include Western-UGP's revisions in the GIP, while creating new Western-UGP-only versions of the GIA/IGIA, reduces the impact of Western's required changes upon SPP's existing Members and Interconnection Customers.

1 **Q.** **Does this conclude your testimony?**

2 **A.** Yes.

IN THE UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Southwest Power Pool, Inc.


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)
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Docket No. ER14-____-000

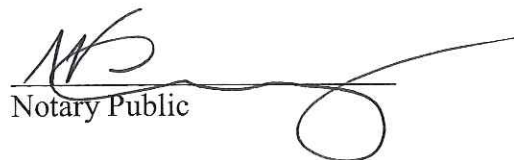
STATE OF MONTANA
CITY OF BILLINGS
COUNTY OF YELLOWSTONE

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I HEREBY CERTIFY that the attached testimony in this docket was prepared by me and the answers contained in my testimony are true and correct to the best of my knowledge and belief.


Steven Sanders

Subscribed and sworn to before me this 26 of August, 2014.


Notary Public
My Commission expires:

(Seal)

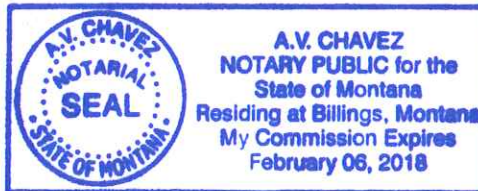


Exhibit No. SPP-7

Direct Testimony of Jody S. Sundsted

**IN THE UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Southwest Power Pool, Inc.

)
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Docket No. ER14-____

DIRECT TESTIMONY OF

Jody S. Sundsted

**Power Marketing Manager
Upper Great Plains Region
Western Area Power Administration**

September 11, 2014

1 **Q. Please state your name.**

2 A. My name is Jody Scott Sundsted.

3

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by the Western Area Power Administration (“Western”) as the
6 Power Marketing Manager for the Upper Great Plains Customer Service Region
7 (“Western-UGP”). As the Western-UGP Power Marketing Manager, I am
8 responsible for marketing and delivering Pick-Sloan Missouri Basin Program
9 power to more than 300 wholesale preference power customers located in
10 Montana, South Dakota, North Dakota, Iowa, Nebraska, and Minnesota.

11

12 **Q. What is your business address?**

13 A. Western Area Power Administration, 2900 4th Ave. North, Billings, Montana
14 59106.

15

16 **Q: Would you briefly describe your post-high school education and your work**
17 **history? Please include your positions with Western.**

18 A. I received a Bachelor of Science Degree in Industrial and Management
19 Engineering from Montana State University in December of 1983. Since
20 graduating from Montana State University, I have spent over 29 years working in
21 the electric power industry. I started working in the electric power industry as a

1 general engineer with Western in the Office of Power Marketing in Western-
2 UGP. After gaining six years of experience in power marketing policy and
3 contract development and negotiation, I transferred within the Office of Power
4 Marketing to the Rates and Repayment Division where I developed wholesale
5 power rates and transmission rates. In 1996, I was promoted to Financial
6 Manager for Western-UGP. As Financial Manager, I was the principal financial
7 advisor for the Region on all accounting, finance, and budgetary matters. I served
8 as Financial Manager for twelve years. In 2008, I was promoted to my current
9 position as Power Marketing Manager for Western-UGP. In this position I
10 manage the Region's contracts, energy services, rates, and merchant functions.
11

12 **Q. What is the purpose of your testimony?**

13 A. My testimony will discuss revisions to the Southwest Power Pool ("SPP") Open
14 Access Transmission Tariff ("Tariff") that are required for Western-UGP to fully
15 participate as transmission owning member of SPP.
16

17 **Q. How is your testimony organized?**

18 A. I will discuss changes made to the Tariff as well as the Membership Agreement
19 and Bylaws related to the following Western-UGP requirements: 1) Federal
20 Service Exemption; 2) Revisions to the Tariff for Co-supply Arrangements; 3)
21 Federal Agency Contracting Requirements; and 4) Western-UGP Required

1 Revision to Schedule 12 of the Tariff.

2

3 **Q. Is Western Area Power Administration (“Western”) a Federal Agency?**

4 A. Yes, Western is a Federal Agency. It is one of four power marketing
5 administrations within the United States Department of Energy whose role is to
6 market and transmit wholesale electricity from multi-use water projects. Western
7 was created pursuant to section 302 of the Department of Energy Organization
8 Act of 1977.

9

10 **Q. What is Western-UGP?**

11 A. Western-UGP is an acronym that describes the Upper Great Plains Region which
12 is one of four Regions within Western. Western-UGP carries out Western's
13 mission in Montana, North Dakota, South Dakota, Nebraska, Iowa, and
14 Minnesota and sells more than 9 billion kilowatt-hours of firm power generated
15 annually from eight dams and power plants of the Pick-Sloan Missouri Basin
16 Program-Eastern Division. Western-UGP delivers this hydropower through
17 nearly 100 substations and across nearly 7,800 miles of Federal power lines,
18 which are connected with other regional transmission systems and groups.

19

20 **Q. Is it Western-UGP that is seeking membership in Southwest Power Pool, Inc.**
21 **(“SPP”)?**

1 A. Yes it is specifically Western-UGP. The other Regions in Western are not
2 seeking membership in SPP.
3

4 **FEDERAL SERVICE EXEMPTION**

5 **Q. What will this portion of your testimony cover?**

6 A. I will discuss the Federal Service Exemption (“FSE”), and the three key charges
7 that are exempted: regional Schedule 11 charges under SPP’s Tariff, congestion
8 charges and marginal loss charges.
9

10 **Q. What is the intent of the “Federal Service Exemption”?**

11 A. The FSE is a unique term that Western-UGP created to capture a body of SPP
12 Tariff language changes that are needed in order for Western-UGP to meet its
13 unique statutory and regulatory obligations and requirements when it joins SPP.
14 These obligations and requirements must be addressed prior to Western-UGP
15 joining a regional transmission organization. Through the FSE, Western-UGP
16 will have an exemption from market charges related to congestion and marginal
17 losses, as well as an exemption from all Schedule 11 regional transmission
18 expansion cost allocations of the SPP Tariff. It is important to note that Western-
19 UGP has requested the FSE only for delivery of Federal generation to its
20 Statutory Load Obligations. Western has not requested the FSE for purchases
21 from, or sales into, the SPP Integrated Marketplace.

1 **Q. Can you describe the effect of the FSE?**

2 A. The effect of the FSE is to carve Western-UGP's long-term contractual delivery
3 of Western-UGP Federal Power to its Statutory Load Obligations out of the SPP
4 Integrated Marketplace charges for congestion and marginal losses. The FSE
5 also exempts Western-UGP's contractual delivery of Federal Power to its
6 Statutory Load Obligations from the region-wide charge for transmission facilities
7 development in the SPP footprint. With respect to congestion and marginal
8 losses, the FSE is treated similarly to a carved-out grandfathered agreement
9 ("GFA") within the SPP Tariff, with a significant difference being that the FSE
10 has a statutory basis with no termination clause for the exemption, whereas a GFA
11 is contractual in nature and as such would have an eventual termination date.

12

13 **Q. What resources and loads within SPP are eligible to receive the FSE and how**
14 **is their scope limited?**

15 A. The scope of the FSE is limited and the Federal generation and load terms are
16 explicitly defined in proposed SPP Tariff modifications. The generation term that
17 FSE applies to is "Federal Power Western-UGP," which only includes power and
18 energy generated at reservoir projects under the control of the Department of the
19 Army or the Bureau of Reclamation ("Bureau") located within the marketing area
20 of Western-UGP. The FSE will only apply to the delivery of Federal Power-
21 Western-UGP generation to fulfill Western-UGP's Statutory Load Obligations for

1 the sale of power and energy, as well as to a bilateral agreement between
2 Western-UGP and a sister Federal Power Marketing Administration,
3 Southwestern Power Administration. As mentioned above, Western-UGP has not
4 requested the FSE for purchases from, or sales into, the SPP Integrated
5 Marketplace. It is also important to note that the Western-UGP Federal
6 hydropower resources are basically static. The last Federal dam project that was
7 finished and included as a resource to be marketed by Western-UGP in the Eastern
8 Interconnection was the Big Bend dam in 1964, and the last project in the Western
9 Interconnection was the Yellowtail dam in 1966. Western-UGP resources are
10 2,675 megawatts (“MW”) of installed capability at two Bureau and six U.S. Army
11 Corps of Engineers facilities.

12
13 The load term that FSE applies to is “Statutory Load Obligations” and generally
14 reflects Western-UGP’s obligation under Federal law to deliver the power and
15 energy from those hydroelectric projects operated by the Department of the Army
16 and the Bureau to loads served pursuant to Federal statute. Western-UGP has no
17 authority or obligation to meet a customer’s load growth. The load to which
18 Western-UGP markets the Federal resources is basically fixed¹ based upon the
19 Federal generation mentioned above. Approximately 10,000 gigawatt-hours of

¹ Congress has passed legislation from time-to-time that requires Western-UGP to provide service to certain new or new increments of load. In recognition of this, Western-UGP’s existing firm power contracts contain power withdrawal provisions recognizing the fixed nature of Federal hydropower resources available to provide service.

1 energy is produced by the Federal resources in a median year. After accounting
2 for load that is specifically identified by Federal Statute to be served from the
3 Federal hydropower resources, Western-UGP determines through a marketing
4 plan what statutorily-defined preference load receives the remaining fixed amount
5 of generation. To determine how it markets the finite resource and ensure
6 widespread use as directed by statute, Western-UGP develops a marketing plan
7 that incorporates the statutory requirements and provides further detail as to
8 where, to whom, and how the hydropower will be allocated. That marketing plan
9 is vetted through a public process where existing customers, new customers, and
10 other stakeholders may provide comments on the proposed marketing plan.
11 Western-UGP holds informational forums to explain its proposal to the customers
12 and comment forums where customers are allowed to ask questions. Customers
13 are also encouraged to provide written comments to Western-UGP. After
14 reviewing and incorporating applicable comments, Western-UGP adopts the
15 marketing plan and enters into contracts to provide service to those customers that
16 are eligible beneficiaries of an allocation of hydropower. Western-UGP's
17 marketing area is a specifically-defined area that includes portions of the states of
18 Iowa, Minnesota, Montana, Nebraska, and all of the states of North Dakota and
19 South Dakota. Western-UGP's Statutory Load Obligations are located in that
20 marketing area, which was first defined in 1953 and has remained unchanged.
21 Western-UGP's current firm power contracts expire on December 31, 2020. Two

1 years ago, Western-UGP developed and adopted a new marketing plan, the 2021
2 Power Marketing Initiative. To date, Western-UGP has executed firm power
3 contracts with approximately two-thirds of its existing customers that begin on
4 January 1, 2021 and have new 30-year terms, extending to December 31, 2050.
5 Western-UGP's wholesale firm power contracts identify the maximum seasonal
6 hydropower capacity the customers can receive and any load requirements above
7 that amount are the responsibility of the customer.

8

9 **Q. What is the relative size of load that will be covered by the FSE as compared**
10 **to the size of load covered by a GFA within SPP?**

11 A. SPP has told Western-UGP that load covered by the FSE will be less than three
12 percent of the total load within the SPP footprint, whereas all of the GFAs
13 combined comprise about 3.2 percent of the total load within the SPP footprint.
14 Further, the percentage of Western-UGP load receiving the FSE compared to the
15 total load within the SPP footprint will decrease over time since the load not
16 subject to the FSE increases as the load within the SPP footprint grows.

17

18 **Q. Why is the FSE critical to Western-UGP's ability to join SPP?**

19 A. A Federal agency may only act consistent with the authority granted to it by
20 Congress. Western-UGP has developed the FSE to enable it to comply with its
21 statutory and contractual obligations while participating in a regional transmission

1 organization. The implementation of the FSE enables Western-UGP to join SPP.

2

3 **Q. What authority created Western's obligation to deliver Federal hydropower**
4 **to its Statutory Load Obligations?**

5 A. Western was established on December 21, 1977, pursuant to section 302 of the
6 Department of Energy Organization Act, Public Law 95-91, dated August 4, 1977
7 ("DOE Act"). By law, Western-UGP markets Federal Power-Western-UGP to
8 meet its Statutory Load Obligations. Under the terms and conditions of the
9 marketing criteria and electric service contracts implementing Western's Statutory
10 Load Obligations to market Federal hydropower, Western-UGP is responsible for
11 using the transmission facilities that it owns, operates or to which it has contract
12 rights to deliver that power to its loads. Western-UGP's transmission system was
13 built primarily to enable the delivery of Federal power to satisfy these obligations,
14 and is sufficient to meet those obligations without relying on any other
15 transmission facilities of the current SPP transmission owners to serve its load.

16

17 **Q. Is there statutory authority which supports Western-UGP's need for the FSE**
18 **to deliver its Federal resources to its Statutory Load Obligations?**

19 A. The rationale behind the FSE is based upon the statutory underpinnings of
20 Reclamation Law and is derived from Western's implementation of the Energy
21 Policy Act of 2005 ("EPAct 05") requirements. The overarching basis for the

1 FSE requirement stems from section 1232 of EAct 05.² To complement its
2 original power marketing mission, Western-UGP has been authorized by
3 Congress to participate in a transmission organization pursuant to EAct 05. This
4 statute gives Western-UGP statutory authority to transfer control and use of all or
5 a portion of its transmission system to a transmission organization provided
6 several conditions are met. Since a Federal agency may only act consistent with
7 the authority granted to it by Congress, Western-UGP has developed the FSE to
8 enable it to comply with these statutory requirements. I will specifically focus on
9 two legislative requirements of section 1232 of EAct 05.

10
11 First, pursuant to section 1232(c) of EAct 05, Western-UGP must act consistent
12 with existing statutory authority, obligations, and limitations, as well as existing
13 contracts. Second, section 1232(d) of EAct 05 precludes the Federal Energy
14 Regulatory Commission (“Commission” or “FERC”) from having any new
15 jurisdiction over the electric generation assets, electric capacity, or energy
16 marketed by Western-UGP as well as the power sales activities in which Western
17 engages. EAct 05 also incorporates a general requirement for consistency with
18 existing statutes that thereby incorporates compliance with Western’s organic
19 statutes, generally called Reclamation Law. Western carries out those

² 16 U.S.C. § 16431.

1 responsibilities through its marketing plans and rates promulgated pursuant to the
2 regulations implementing those laws.

3

4 **Q. What are the key underlying Reclamation Law requirements?**

5 A. In addition to EAct 05, section 302 of the DOE Act is important because it
6 created Western and transferred the Bureau's authority to perform power
7 marketing functions to Western. The DOE Act also transferred the authority to
8 market power from the Department of the Army to Western. Of the Reclamation
9 Law authority transferred to Western through the DOE Act, two specific statutory
10 references are critical in understanding Western's obligations and limitations as it
11 constructs transmission facilities and markets Federal power. These are section
12 9(c) of the Reclamation Project Act of 1939³ and section 5 of the Flood Control
13 Act of 1944.⁴

14

15 **Q. What do the Reclamation Project Act of 1939 and the Flood Control Act of**
16 **1944 require of Western?**

17 A. These two statutes are the primary basis for the following fundamental
18 requirements Western must abide by: 1) preference in power sales shall be given
19 to public agencies, cooperatives, municipalities, and other non-profit entities;

³ 43 U.S.C. § 485h(c).

⁴ 16 U.S.C. § 825(s).

1 2) power disposal shall be for the benefit of domestic and rural consumers; 3)
2 power shall be sold at the lowest possible rates consistent with sound business
3 principles; 4) power disposal shall encourage widespread use and prevent
4 monopolization; and 5) construction of transmission lines and related facilities is
5 only authorized to the extent they are necessary to make the power generated at
6 the Federal projects available for sale.

7
8 **Q. How are these requirements addressed within the SPP Tariff?**

9 A. Western-UGP will receive an exemption from market charges related to
10 congestion and marginal losses, as well as an exemption from regional allocations
11 of the costs of expanding the transmission system under Schedule 11 for delivery
12 of Federal Power-Western-UGP to its Statutory Load Obligations as those terms
13 are defined in the proposed SPP tariff revisions.

14
15 **Q. How will the exemption from congestion and marginal loss charges be**
16 **implemented?**

17 A. Proposed SPP Tariff section 39.3(e)(ii) provides:

18 Western-UGP shall be exempt from congestion and
19 marginal loss charges in accordance with Attachment AE
20 of this Tariff for deliveries from Federal Power-Western-
21 UGP resources across the [Upper Missouri Zone (“UMZ”)]
22 to Western-UGP’s Statutory Load Obligations. Western-
23 UGP shall be responsible for providing the Transmission
24 Provider real power losses for the energy delivered from
25 the Federal Power-Western-UGP resources under the

1 Federal Service Exemption across Zone 19 in accordance
2 with Attachment M of this Tariff.”

3 The “UMZ”, or “Upper Missouri Zone”, is the SPP rate pricing zone within
4 which Western-UGP’s transmission facilities will be located, as defined in the
5 proposed changes to the SPP Tariff. In lieu of marginal loss charges, Western-
6 UGP will provide real power losses for its Statutory Load Obligations. The
7 Prepared Direct Testimony of Bruce A. Rew of SPP will address in more detail
8 the changes to Attachment AE necessary to implement the FSE within the SPP
9 Integrated Marketplace.

10

11 **Q. How will the FSE for regional cost sharing be implemented?**

12 A. Specifically, in proposed SPP Tariff section 39.3(e)(i):

13

14 Western-UGP shall be exempt from the Region-wide
15 Charge associated with Western-UGP’s delivery of Federal
16 Power-Western-UGP to Statutory Load Obligations
17 internal to the UMZ or external to the Transmission
18 Provider. The Transmission Provider will not assess load
19 served by Western UGP in the Western Interconnection for
20 the Region-wide Charge, associated with transmission
21 facilities in the Eastern Interconnection, to the extent that
22 load that is located in the Western Interconnection is served
23 only by resources in the Western Interconnection.

24

25 **Q. How has Western-UGP historically constructed transmission facilities in the**
26 **Upper Great Plains Region?**

27 A. Pursuant to the statutory principles I outlined earlier, Western constructed

1 sufficient transmission facilities or purchased transmission capacity within
2 Western-UGP to enable it to enter into long-term contractual commitments for the
3 delivery of its finite Federal generation to its Statutory Load customers. Western-
4 UGP has no authority to meet its customers' load growth, and as such its
5 Statutory Load Obligations will basically not grow. Any supplemental power
6 needed by Western's customers must be procured by the customers and does not
7 qualify for the FSE. As discussed below, this is the genesis for the need for the
8 Western-UGP co-supply arrangement. Since Western-UGP has sufficient
9 transmission facilities to deliver power to meet its Statutory Load Obligations, it
10 has no need for an increase in regional transmission capacity to assist in meeting
11 its future delivery needs.

12
13 **Q. Will Western be exempt from all Schedule 11 charges?**

14 **A.** No, Western-UGP will not be exempt from all Schedule 11 charges. Schedule 11
15 of the SPP Tariff contains the Base Plan Zonal Charges and the Region-Wide
16 Charges paid by Transmission Customers. Western-UGP will be subject to the
17 Base Plan Zonal charges contained in Schedule 11 of the SPP Tariff. In addition,
18 Western will be subject to Schedule 11 Region-Wide Charges to the extent it
19 delivers power to the SPP market for use by customers other than its Statutory
20 Load Obligations and to the extent it needs to rely on non-Federal generation
21 resources to serve its Statutory Load Obligations.

1

2 **Q. Have any changes been made to the governing documents to address the**
3 **FSE?**

4 A. Yes. Corresponding provisions have been added to section A.1.2 of the Western-
5 UGP Membership Agreement Amendment to match the proposed language added
6 in Tariff section 39.3.

7

8

CONCLUSION

9 **Q. Please state your position with respect to changes to the SPP Tariff**
10 **implementing the FSE.**

11 A. It is appropriate to modify the SPP Tariff to recognize the FSE, which will allow
12 Western-UGP to meet its unique statutory and regulatory obligations and
13 requirements that must be addressed in order for Western-UGP to join a Regional
14 Transmission Organization.

15

REVISIONS TO THE SOUTHWEST POWER POOL OPEN ACCESS

TRANSMISSION TARIFF FOR CO-SUPPLY ARRANGEMENTS

18 **Q. What is the purpose of this section of your testimony?**

19 A. This section of my testimony will discuss the reasons Western-UGP required
20 revisions to the SPP Tariff to recognize the relationship between co-suppliers and
21 the majority of Western-UGP's Network Loads.

1

2 **Q. How is your testimony organized?**3 A. I will indicate the specific language changes in the SPP Tariff, why Western-UGP
4 needs the revisions to the SPP Tariff, and the intent of the language.

5

6 **Q. What sections in the SPP Tariff are proposed to be changed and what**
7 **language is being added to recognize Western-UGP's role as a "co-supplier"?**8 A. Section 39.3 of the SPP Tariff is being changed to add a new section 39.3(d) titled
9 "Western-UGP Co-supply Arrangement".

10

11 **Q. What is the intent of this language?**12 A. The intent of the language is to recognize Western-UGP as an SPP Network
13 Customer for loads in the new UMZ (formerly the Integrated System or "IS") and
14 for loads outside of SPP. However, the majority of these loads are also served by
15 other utilities that provide power and energy above the amounts served by
16 Western-UGP and those utilities are also responsible for serving the load growth
17 of those customers. As such, Western-UGP is not the full requirements provider
18 for these loads and therefore these loads have another "co-supplier" that will be
19 required to take SPP Network Integration Transmission Service ("NITS") for the
20 portion of the load they co-supply.

21

1 **Q. How does Western-UGP determine the amount of a certain load it will serve?**

2 A. Western-UGP has a finite amount of hydropower available to market to certain
3 customers that are eligible by law for an allocation of hydropower. As described
4 above in the FSE testimony, Western-UGP develops a marketing plan through a
5 public process to determine how to market the finite Federal hydropower, which
6 ultimately includes the execution of a contract to provide service to those
7 customers. Western-UGP's wholesale power contracts identify the maximum
8 seasonal hydropower capacity the customers can receive and any load
9 requirements above that amount are the responsibility of the customer.

10

11 **Q. Are there loads for which Western-UGP will be the sole SPP Network**
12 **Customer and have no co-supplier?**

13 A. Yes. Western-UGP is statutorily required to serve the total requirements of
14 certain loads. An example of such a load is project use pumping loads, where
15 Western-UGP is required to provide full service to an irrigation project that
16 qualifies for project pumping power. Western-UGP anticipates serving these
17 loads by taking SPP NITS for the entire load. These total requirement loads are
18 the exception and not the norm for Western-UGP because the vast majority of its
19 customers require a co-supply arrangement. I estimate that currently only two
20 percent of Western-UGP's Statutory Load Obligations have no co-supplier.

21

1 **Q. How will Western ensure it is able to provide transmission service to meet its**
2 **Statutory Load Obligations over time?**

3 A. As I mentioned earlier, Western-UGP meets its statutory requirements by
4 developing a marketing plan to allocate hydropower to its customers. The
5 Western-UGP marketing plan ensures widespread use of the hydropower
6 consistent with its statutory requirements. Under the existing Western-UGP
7 marketing plan, once every ten years Western-UGP initiates a public process to
8 see if any new preference customers are eligible to receive an allocation of
9 Federal hydropower. If Western-UGP receives a request from a new eligible
10 customer or customers for a hydropower allocation, Western-UGP would
11 withdraw a certain amount of the allocations from existing customers and
12 reallocate it to the new customer(s), given the finite nature of the Western-UGP
13 hydropower resource. To meet the widespread use statutory requirement,
14 Western-UGP needs to be the transmission customer for the hydropower
15 allocations so as to re-direct existing transmission service to the new customer.
16 These provisions also need to apply to co-supplied loads that Western-UGP
17 serves outside of SPP for which Western-UGP will be utilizing SPP transmission
18 service to the edge of the UMZ. Further, proposed revisions to Tariff section
19 39.3(e) and A1.2 of the Western-UGP Amendments to the SPP Membership
20 Agreement reserve Available Transfer Capability (“ATC”) Western-UGP
21 currently has within the IS for service into the new UMZ for deliveries to

1 customers currently in SPP.

2

3

CONCLUSION

4 **Q. Please state your position with respect to the changes to the SPP Tariff for**
5 **co-supply arrangements.**

6 A. It is appropriate to modify the SPP Tariff to recognize Western-UGP as an SPP
7 NITS Customer for loads in the new UMZ (formerly the IS) and for loads outside
8 of SPP, allowing for a co-supply NITS Customer to serve a portion of that same
9 load.

10

11 FEDERAL AGENCY CONTRACTING REQUIREMENTS

12 **Q. As a Federal agency, are there certain requirements under Federal law,**
13 **regulations and rules that Western must comply with which require revisions**
14 **to the SPP Tariff and Membership Agreement necessary in order for**
15 **Western-UGP to become a member of SPP?**

16 A. Yes there are many requirements under Federal law, regulations and rules that
17 Western must comply with. Further, some of those requirements require changes
18 to the SPP Tariff for Western-UGP to become a member of SPP.

19

20 **Q. In which section of the SPP Tariff filing are those proposed revisions found?**

21 A. There are several sections for which revisions are being proposed and some of

1 those will be addressed specifically in testimony by me and other Western
2 witnesses. However, the changes I will address here are found in section 39 of
3 the SPP Tariff.

4
5 **Q. Have there been recent SPP Tariff changes, approved by the Commission,**
6 **which address some of the Federal contracting requirements?**

7 A. Yes, certain of the Federal contracting requirements changes were made recently
8 in the SPP Tariff in order for Western-UGP to become a Market Participant in the
9 SPP Integrated Marketplace. The SPP filing for those changes was Docket No.
10 ER14-1204. The Commission accepted the filing in a March 14, 2014 letter order
11 and the changes were effective March 30, 2014. These change can be found in
12 section 39.3 (a)-(c) of the SPP Tariff. The approved provisions include: Subject
13 to Acts of Congress, Contingent Upon Appropriations and Authorizations,
14 Employment Practices, which include Equal Opportunity Employment Practices,
15 Contract Work Hours and Safety Standards, and Use of Convict Labor.

16
17 **Q. As Western-UGP seeks Membership in SPP, is the proposal to also include**
18 **those same accepted provisions in Attachment AN to the SPP Tariff and the**
19 **Agreement Between Southwest Power Pool, Inc. and Southwest Power Pool**
20 **Balancing Authority Participants?**

21 A. Yes.

1

2 **Q. What section of Attachment AN contains these same proposed revisions?**

3 A. Section 18.17.

4

5 **Q. Are these same provisions included in the proposed revisions to the SPP**
6 **Membership Agreement?**

7 A. Yes.

8

9 **Q. What section of the SPP Membership Agreement contains these**
10 **requirements?**

11 A. The Western-UGP specific Amendments to SPP Membership Agreement contain
12 the same requirements and can be found in sections A1.1, A1.4 and A1.5.

13

14 **Q. Are there unique Federal contracting provisions in addition to those made**
15 **for Western-UGP to become a Market Participant in SPP's Integrated**
16 **Market that are necessary in order for Western-UGP to become a**
17 **Transmission Owning member of SPP?**

18 A. Yes, additional provisions were added to address 1) Western-UGP's unique
19 relationship with the Federal Projects which provide the hydropower generation
20 resources which Western-UGP markets, 2) transmission expansion,
21 interconnections, modifications, and additions to Federal facilities, 3) liability,

1 and 4) inapplicability of section 39.1 to a Federal Power Marketing Agency.

2

3 **Q. Where within the SPP Tariff revision filing are those additional provisions**
4 **found?**

5 A. The additions can be found in proposed SPP Tariff sections 39.3(f) through
6 39.3(j) and 39.3(l).

7

8 **Q. Can those provisions also be found in the proposed changes to the SPP**
9 **Membership Agreement?**

10 A. Yes, the additions can be found in the proposed Western-UGP specific
11 Amendments to SPP Membership Agreement sections A1.6 and A1.7. The
12 language necessary to address Western-UGP's unique relationship with the
13 Federal Projects which provide the hydropower generation resources which
14 Western-UGP markets can be found in section A1.6 and the language to address
15 transmission expansion, interconnections, modifications, and additions to Federal
16 facilities can be found in section A1.7.

17

18 **Q. Can you please describe the intent of these provisions?**

19 A. Yes. The intent of section 39.3(f) and the Western-UGP Amendment to the SPP
20 Membership Agreement section A1.6, Federal Projects, is to recognize in the SPP
21 Tariff the unique relationship that Western has with the U.S. Army Corps of

1 Engineers (“COE”) and the Bureau in regard to the Federal hydropower
2 generation. The COE and Bureau own, maintain, and control the generating
3 facilities from which Western-UGP markets and transmits power. This
4 relationship is set by Federal statute and it is important to be recognized in the
5 SPP Tariff, especially since the COE and Bureau are not proposing to be members
6 of SPP. Any operation, maintenance, modification or addition to COE or Bureau
7 facilities must be approved by the COE or Bureau. Further, while Western-UGP
8 will continue to communicate and coordinate with the COE and Bureau as it
9 always has regarding any requests for operation, maintenance, modifications,
10 additions, or changes to facilities, or changes in hydroelectric generation due to
11 redispatch requests, their approval must be obtained.

12
13 The intent of proposed section 39.3(g), Federal Projects as Designated Resources,
14 is to recognize that Western-UGP can designate the COE and Bureau generating
15 resources as Designated Resources under the SPP Tariff. This is needed as the
16 SPP Tariff requires an attestation that Western-UGP owns or has the right to
17 purchase the generation it designates. This new provision clarifies that Western-
18 UGP may designate these Bureau and COE facilities.

19
20 The intent of proposed section 39.3(h) and the Western-UGP Amendment to the
21 SPP Membership Agreement A1.7, Transmission Expansion, Interconnections,

1 Modifications, and Additions, is to recognize that Western-UGP must comply
2 with various environmental and natural resource laws regulating the construction,
3 operation and maintenance of its transmission facilities. In addition, SPP shall
4 assist Western-UGP in complying with the environmental laws, regulations and
5 resource protection measures that apply to Western-UGP for changes to the
6 Western-UGP transmission facilities.

7
8 The intent of proposed section 39.3(i) is for the Tariff to recognize that Western-
9 UGP must receive an advance deposit of funds pursuant to Federal law prior to
10 Western-UGP committing to perform any work pursuant to the Tariff. It is also a
11 requirement by law that Federal employees cannot enter into a contract obligating
12 the Federal government to expend money unless there is authorization and
13 funding. Further testimony on advanced payment is provided by Steven Sanders,
14 as it relates to Attachment V to the SPP Tariff on Generator Interconnection
15 Procedures (“GIP”) and the Generator Interconnection Agreement (“GIA”) when
16 Western-UGP is a party to the GIA as a Transmission Owner.

17
18 Proposed section 39.3(j), Liability, is intended to supersede section 10.3 of the
19 SPP Tariff, recognizing that Western-UGP, as a Transmission Customer as
20 defined in the SPP Tariff, cannot indemnify, defend, and save harmless the SPP or
21 Transmission Owner(s) pursuant to section 10.3 of the Tariff due to the

1 Antideficiency Act, 31 U.S.C. § 1341, as amended or supplemented. Western-
2 UGP's liability as a Transmission Customer is instead determined in accordance
3 with the Federal Tort Claims Act, 28. U.S.C. § 1346(b), 2401(b), 2402, 2671,
4 2672, 2674-2680, as amended or supplemented.

5
6 The intent of proposed section 39.3(l), Inapplicability of section 39.1 to a Federal
7 Power Marketing Agency, is to recognize that section 39.1 is a provision unique
8 to State-created public-power entities, and addresses resolution of conflicts
9 between State laws, regulations and rate schedules compared to conflicting SPP
10 Tariff provisions. Without section 39.3(l) clarifying that section 39.1 does not
11 apply to Federal Power Marketing Agencies, someone could conclude that it
12 would apply.

13
14 **Q. Regarding the new section 39.3(h) and the Western-UGP Amendment to the**
15 **SPP Membership Agreement A1.7, Transmission Expansion,**
16 **Interconnections, Modifications, and Additions, what are the various**
17 **environmental and natural resource laws that are applicable in this section?**

18 A. Those laws include but are not limited to the National Historic Preservation Act,
19 16 U.S.C. §§ 470 to 470x-6, the National Environmental Policy Act of 1969, 42
20 U.S.C. §§ 4321-4347 ("NEPA"), the Endangered Species Act, 16 U.S.C. §§ 1531-
21 1544, and the Archaeological Resources Protection Act of 1979, 16 U.S.C. §

1 470aa-470mm; and regulations and Executive Orders implementing these laws, as
2 they may be amended or supplemented, as well as any other existing or
3 subsequent applicable laws, regulations and Executive Orders. It also recognizes
4 that SPP's directives for additions, modifications, interconnections, and
5 expansions to or connections with Western-UGP's facilities are dependent on
6 Western-UGP's conclusions and decisions under NEPA. It should be noted that
7 Western-UGP has to comply with these Acts, regulations under those Acts, and
8 Executive Orders when making changes to its transmission facilities, transmission
9 expansion, interconnections, and modifications/additions to its facilities, whether
10 Western-UGP is a member of SPP or not. Other testimony on Federal laws in
11 relation to SPP Interconnections is provided by Steven Sanders, as it relates to
12 Attachment V of the SPP Tariff on GIP and GIA.

13

14 **Q. Regarding indemnification, what are the reasons that Western-UGP cannot**
15 **agree to comply with provisions of currently-effective section 10.3 of the SPP**
16 **Tariff?**

17 **A.** There are several reasons why Western, as a Federal agency, cannot, by law,
18 contractually agree to section 10.3 of the SPP Tariff: 1) There is no cap on the
19 indemnification amount. Under the Antideficiency Act, since there is no
20 appropriation and no specific legislation that would allow this contract obligation,
21 Western, is prohibited from entering into such a contractual obligation. As

1 discussed earlier, Federal employees are prohibited from entering into this type of
2 contractual obligation under threat of violation of the Federal criminal statutes. 2)
3 The provision is inconsistent with the Purpose Statute. The Purpose Statute
4 requires that expenditures must be made for a specific purpose of an appropriation
5 and that they must be reasonably necessary for carrying out an authorized
6 function. If Western-UGP spent appropriations to indemnify SPP and/or the
7 Transmission Owner for claims they cause, it would be beyond what is reasonably
8 necessary for carrying out Western-UGP's authorized function of marketing
9 federally generated hydropower. 3) The provision is inconsistent with sovereign
10 immunity. The Federal government/Western-UGP is immune from claims unless
11 it specifically agrees to be responsible, and such a waiver has to be explicit and
12 must be made by Congress. Further testimony on indemnification is provided by
13 Steven Sanders, as it relates to Attachment V and Attachment AN of the SPP
14 Tariff.

16 CONCLUSION

17 **Q. Please state your position with respect to the proposed changes to the SPP**
18 **Tariff and the Western-UGP Amendment to the SPP Membership**
19 **Agreement to reflect Federal contractual obligations that are applicable to**
20 **Western-UGP.**

21 **A.** The proposed Federal contractual changes to the SPP Tariff are necessary to

1 enable Western-UGP to become a member of SPP.

2

3 **WESTERN-UGP REQUIRED REVISIONS TO SCHEDULE 12 OF**

4 **THE SOUTHWEST POWER POOL OPEN ACCESS**

5 **TRANSMISSION TARIFF**

6 **Q. What is the purpose of this section of your testimony?**

7 A. The purpose of my testimony is to discuss the reasons Western-UGP required
8 revisions to Schedule 12 of the SPP Tariff related to the allocation of the annual
9 charges for the Commission Assessment that is charged to SPP's Transmission
10 Customers and Transmission Owners by the Commission for all energy delivered
11 under Point-to-Point and Network Integration Transmission Service and to all
12 energy delivered under Bundled Retail and Grandfathered Loads transmitted in
13 interstate commerce during a calendar year.

14

15 **Q. How is your testimony organized?**

16 A. My testimony discusses the specific language changes in Schedule 12 of the SPP
17 Tariff, followed by discussion of why Western-UGP needs the revisions to
18 Schedule 12 and the intent of the language.

19

20 **Q. What section of the SPP Tariff is proposed to be changed to address the**
21 **Commission's assessment for Western-UGP and what language was added?**

1 A. The proposed Tariff changes include a revision to section 2, Applicability, of
2 Schedule 12. As proposed, Western-UGP will not be assessed Schedule 12 costs
3 for Point-To-Point Transmission Service or for Network Integration Transmission
4 Service that is provided to Western-UGP. The language in section 2 of Schedule
5 12 is being modified to explain that the calculation of the FERC Assessment
6 under 18 C.F.R. § 382.201(a) does not include the costs of regulating the Federal
7 Power Marketing Agencies and, as a result, charges under Schedule 12 shall not
8 be assessed with respect to transmission service provided to Western-UGP for its
9 delivery of Federal Power-Western-UGP to its Statutory Load Obligations.

10

11 **Q. What is the intent of this language?**

12 A. Schedule 12 of the SPP Tariff contains the annual charges for the Commission
13 assessment that is charged to SPP's Transmission Customers and Transmission
14 Owners for energy delivered under Point-to-Point and NITS and for energy
15 delivered to bundled retail and grandfathered loads transmitted in interstate
16 commerce during a calendar year. As proposed, Western-UGP will not pay
17 charges under Schedule 12. Western-UGP and SPP believe that Schedule 12
18 charges are not applicable because the Commission Assessment does not include
19 the costs of regulating Federal Power Marketing Agencies.

20

21 **Q. What are the applicable regulations that govern these assessments**

1 **particularly for the Federal Power Marketing Agencies?**

2 A. 18 C.F.R § 382.201 governs the annual charges of the Commission under Parts II
3 and III of the Federal Power Act and related statutes. Paragraph (a) of that
4 regulation provides for the determination of costs to be assessed to public utilities
5 and states:

6 The adjusted costs of administration of the electric
7 regulatory program, **excluding the costs of regulating the**
8 **Power Marketing Agencies** (emphasis added), will be
9 assessed to public utilities that provide transmission service
10 (measured, as discussed in paragraph (c) of this section, by
11 the sum of the megawatt-hours of all unbundled
12 transmission and the megawatt-hours of all bundled
13 wholesale power sales (to the extent these latter megawatt-
14 hours were not separately reported as unbundled
15 transmission)).

16
17 Paragraph (d) of that same regulation provides for the determination of annual
18 charges to be assessed to PMAs and states:

19 The adjusted costs of administration of the electric
20 regulatory program as it applies to Power Marketing
21 Agencies will be assessed against each power marketing
22 agency based on the proportion of the megawatt-hours of
23 sales of each power marketing agency in the immediately
24 preceding reporting year (either a calendar year or fiscal
25 year, depending on which accounting convention is used by
26 the power marketing agency to be charged) to the sum of the
27 megawatt-hours of sales in the immediately preceding
28 reporting year of all power marketing agencies being
29 assessed annual charges.

30
31 **Q. Why should the Commission accept the proposed changes to Schedule 12 of**
32 **the SPP Tariff that exempt Western-UGP from paying the SPP FERC**
33 **Assessment Charge?**

1 A. 18 C.F.R § 382.201(d) provides for the determination of annual charges to be
2 assessed to power marketing agencies. The Commission reviews the rates
3 established by the Department of Energy for the PMAs, i.e., Bonneville Power
4 Administration, Southeastern Power Administration, Southwestern Power
5 Administration, and Western. The costs of these reviews are associated with the
6 Commission's regulation of PMAs and are separately identified and separately
7 recovered and removed from the costs assessed to public utilities. Therefore, the
8 annual charges assessed by the Commission to SPP, which are passed on to SPP
9 Transmission Customers and Transmission Owners under Schedule 12, do not
10 include the costs of regulating the PMAs and consequently should not be assessed
11 to Western-UGP.

12

13 **CONCLUSION**

14 **Q. Please state your position with respect to the changes to Schedule 12 of the**
15 **SPP Tariff such that charges under Schedule 12 shall not be assessed with**
16 **respect to transmission service provided to Western-UGP for its Statutory**
17 **Load Obligations.**

18 A. I support these changes and believe it is appropriate to modify Schedule 12 of the
19 SPP Tariff to provide that Western-UGP should not be charged the Commission
20 Assessment provided in Schedule 12.

21

1 **Q.** **Does this conclude your testimony?**

2 **A.** Yes.

IN THE UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Southwest Power Pool, Inc.

)
)
)

Docket No. ER14-____-000

STATE OF MONTANA
CITY OF BILLINGS
COUNTY OF YELLOWSTONE

)
)
)

I HEREBY CERTIFY that the attached testimony in this docket was prepared by me and the answers contained in my testimony are true and correct to the best of my knowledge and belief.


Jody S. Sundsted

Subscribed and sworn to before me this 26 of August, 2014.


Notary Public

My Commission expires:

(Seal)

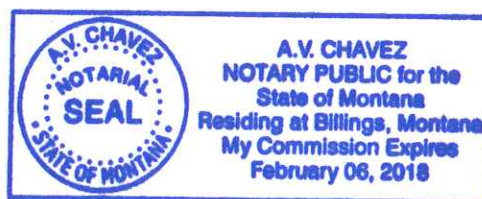


Exhibit No. SPP-8

Direct Testimony of Michael Risan

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

Southwest Power Pool, Inc.	DOCKET NO. ER14-__-000
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**DIRECT TESTIMONY OF
MICHAEL RISAN**

**Senior Vice President of Transmission
Basin Electric Power Cooperative**

September 11, 2014

15 **5. Q. What are your duties in your current position?**

1 **A.** I am responsible for the transmission function for Basin Electric. My
2 responsibilities include transmission planning, transmission rates and contracts,
3 North American Electric Reliability Corporation (“NERC”) compliance, and
4 transmission system maintenance.

5 **6. Q. What is the purpose of your testimony in this proceeding?**

6 **A.** Southwest Power Pool, Inc. (“SPP”) has agreed to propose certain amendments
7 and additions to its Membership Agreement, Bylaws, and Open Access
8 Transmission Tariff (“Tariff”). The changes are designed to enable Basin Electric,
9 Western Area Power Administration – Upper Great Plains Customer Service
10 Region (“Western-UGP”) and Heartland Consumers Power District (“Heartland”)
11 (collectively the “IS Parties”), who are the participants in the integrated
12 transmission system arrangement (“IS”), to join SPP as Transmission Owning
13 members in a newly-created pricing Zone, the Upper Missouri Zone (the “UMZ”
14 or “Zone 19”). The purpose of my testimony is to explain why these changes are
15 necessary to allow Basin Electric to join SPP as a Transmission Owning member.

16 **7. Q. Please describe Basin Electric.**

17 **A.** Basin Electric is one of the largest generation and transmission cooperatives in the
18 United States. It is a not-for-profit cooperative corporation incorporated in the
19 State of North Dakota in 1961. It has a diverse portfolio of generation resources
20 (coal, gas, nuclear and renewable) and sells electric power at wholesale to its 137
21 member systems located throughout 9 states. The Basin Electric membership
22 serves 2.8 million customers in territories covering approximately 540,000 square
23 miles. By the end of 2014, Basin Electric will operate approximately 4900 MW of

1 electric generating capacity and have approximately 5,500 MW of capacity within
2 its generation portfolio. Basin Electric transmission facilities include nearly 2,100
3 miles of transmission lines, 70 switch yards and 149 telecommunications sites.

4 Basin Electric was organized by its members to be an “all supplemental
5 requirements” power supplier to provide power and energy to its members in
6 excess of preference power provided to them per Western-UGP’s allocations.

7 Basin Electric is an eligible borrower of the Rural Utilities Service, and as a result
8 is not a “public utility” under section 201(e) of the Federal Power Act. 16 U.S.C.
9 § 824(e).

10 **8. Q. Please describe the proposed change to section 4.2.2(b)(v) of the SPP**
11 **Membership Agreement.**

12 **A.** SPP has proposed to modify section 4.2.2(b)(v) of the Membership Agreement to
13 permit any SPP Member with transmission facilities located in the UMZ to
14 terminate its Membership Agreement and withdraw from SPP membership with
15 less than the advance notice period applicable to members of Zones 1-18 under
16 certain circumstances.

17 **9. Q. Please describe the circumstances in which the proposed modification to the**
18 **Membership Agreement would allow early termination of the Membership**
19 **Agreement.**

20 **A.** The requested modification would allow early termination (with less than the
21 twenty-four month notice required for members of other Zones) in any one of
22 three circumstances: 1) Basin Electric or Western-UGP withdraws from SPP as a
23 Member pursuant to its withdrawal rights, 2) the Commission finds that SPP has

1 failed to adhere to any of the amendments to the SPP Membership Agreement,
2 Bylaws or Tariff, or the Network Integration Transmission Service Agreements
3 (“NITSA”) or Network Operating Agreements (“NOA”) between SPP and each of
4 Western-UGP, Basin Electric or Heartland that will be filed with the Commission
5 (which have been referred to as the “Federal Power Marketing Agency
6 Amendments”, the “Basin Electric Amendments” and the “Heartland
7 Amendments”), or 3) SPP files and the Commission approves a change to the
8 Federal Power Marketing Agency Amendments, the Basin Electric Amendments,
9 or the Heartland Amendments and that change has a material adverse effect on the
10 Member that wishes to withdraw.

11 In the event of a withdrawal by Western-UGP or Basin Electric, the UMZ
12 member’s withdrawal will become effective on the same date as that of Western-
13 UGP or Basin Electric.

14 Finally, the amendment provides that if a UMZ Member exercises its
15 withdrawal rights under this provision, the member’s financial obligations will be
16 calculated under § 4.3 of the Membership Agreement.

17 **10. Q. What is the purpose of the early withdrawal provisions you just described?**

18 **A.** The amended withdrawal provision is intended to protect the rights of UMZ
19 Members. The UMZ, as proposed, is comprised of the IS Parties’ systems which
20 include approximately 9,500 miles of transmission. The IS Parties’ systems were
21 jointly planned and constructed for over 50 years and hence are highly integrated.
22 Western-UGP uses the IS to transmit power from its hydroelectric resources to its
23 preference power customers, and Basin Electric and Heartland use the IS to

1 transmit to certain of those same customers the balance of their power supply.

2 The IS has been operated for many years as a single system under one tariff. As a
3 result, the UMZ would not be viable from an operational or financial perspective
4 if Western-UGP or Basin Electric were to remove its facilities from the UMZ.

5 The provisions permitting an early withdrawal in the event that SPP fails to
6 adhere to the Federal Power Marketing Agency Amendments, the Basin Electric
7 Amendments, or the Heartland Amendments or makes changes to those
8 amendments that adversely affect a UMZ Member are necessary to protect the
9 Members if SPP's action or inaction results in a change to a fundamental element
10 of the IS Parties' decision to become SPP Members over their objection and that
11 change has a material adverse effect on Basin Electric, Western-UGP, or
12 Heartland.

13 **11. Q. Are there any other proposed changes to the Membership Agreement that**
14 **you would like to address?**

15 **A.** No.

16 **12. Q. Please describe the proposed modification to section 5.1.1.1 of the SPP**
17 **Bylaws.**

18 **A.** In its filing, SPP proposes to increase the number of cooperative representatives
19 on the Members Committee by one, so that there will be a total of five
20 cooperative representatives on that Committee.

21 **13. Q. Please explain the purpose of the requested modification.**

22 **A.** When it joins SPP, Basin Electric will contribute to a substantial expansion of the
23 SPP footprint in terms of load, generation resources and transmission facilities.

1 The cooperative, consumer-owned form of organization and operation present
2 financial, organizational, structural and legal considerations that are unique to
3 each cooperative which are quite different in many respects from investor-owned
4 and public-power entities.

5 The proposed addition of one cooperative representative to the Members
6 Committee expands the voice of the cooperative community within the SPP
7 membership in a manner commensurate with the expansion of the footprint
8 attributable to cooperative facilities. The proposed change does not require that
9 the additional representative be from Basin Electric. Instead, it ensures that
10 representation on the Members Committee is balanced among the various interest
11 groups including cooperatives, investor-owned utilities, municipals, independent
12 power producers, state power agencies, and other factors such as geography, etc.

13 **14. Q. Please describe SPP's proposal for allocating costs of Base Plan Upgrades**
14 **constructed in Zones 1-19.**

15 **A.** SPP has proposed that the cost of Base Plan Upgrades in Zones 1-18 (the pre-
16 integration SPP footprint) that have been identified as necessary to the
17 transmission system prior to October 1, 2015, the date on which the IS Parties will
18 be fully integrated into SPP, will not be shared by Zone 19 (the "UMZ").
19 Likewise, the cost of upgrades in Zone 19 with a need-by date prior to October 1,
20 2015 will not constitute Base Plan Upgrades for purposes of regional cost
21 allocation and will not be shared with Zones 1-18.

22 For clarity, the relevant portions of the Tariff are proposed to be modified
23 specifically to identify certain transmission projects of Basin Electric that SPP has

1 verified have a need-by date on or after October 1, 2015 and that therefore are
2 specifically defined as allocable “Base Plan Upgrades” (See Tariff Part B –
3 Definitions; Tariff Part V. Schedule 2 to Attachment J; Schedule 11; and
4 Attachment H). SPP technical staff has conducted a thorough transmission
5 analysis to confirm that the IS facilities to be placed under the SPP Tariff satisfy
6 all SPP Criteria and NERC Standards and to confirm the need-by-date of on or
7 after October 1, 2015 for the Basin Electric facilities identified in Schedule 2 to
8 Attachment J.

9 **15. Q. Please explain the purpose of these modifications from Basin Electric’s**
10 **perspective.**

11 **A.** A fundamental premise of the Basin Electric membership discussions with SPP
12 has been that, as of the proposed date of integration of the Integrated System
13 Facilities into SPP (October 1, 2015), both the IS system facilities and the SPP
14 system facilities would be fully compliant with all of the SPP Criteria and, NERC
15 Standards. The parties agreed that the most equitable and least complicated way
16 to give effect to that principle is to have each of the IS Parties and SPP assume
17 full responsibility for the costs of upgrades and additions to their respective
18 systems that were needed to support their respective operations prior to the
19 integration date described above. Facilities needed after the integration date will
20 be allocated and shared in accordance with the applicable terms of the Tariff.

21 **16. Q. In your opinion, does the proposal described above for integrating Basin**
22 **Electric facilities into the regional cost allocation methodology of SPP**

1 **provide a fair and equitable result for Basin Electric and for the other SPP**
2 **members?**

3 **A.** Yes.

4 **17. Q.** **Does this conclude your testimony?**

5 **A.** Yes.

VERIFICATION

Pursuant to 28 U.S.C. § 1746, I state under penalty of perjury that the foregoing testimony is true and correct to the best of my information, knowledge and belief.

Executed this 2nd day of September, 2014.



Michael Risan
Senior Vice President of Transmission
Basin Electric Power Cooperative

42402-0021

DC 81015318.1

Exhibit No. SPP-9

Direct Testimony of David Raatz

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

SOUTHWEST POWER POOL, INC.	DOCKET NO. ER14-____-000
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**DIRECT TESTIMONY OF
DAVID RAATZ**

**Vice President of Cooperative Planning
Basin Electric Power Cooperative**

September 11, 2014

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

SOUTHWEST POWER POOL, INC.	DOCKET NO. ER14-____-000
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**DIRECT TESTIMONY OF
DAVID RAATZ**

**Vice President of Cooperative Planning
Basin Electric Power Cooperative**

1 **1. Q. Please state your name, address and job title.**

2 **A.** My name is David Raatz. My business address is 1717 East Interstate Avenue. I
3 am the Vice President of Cooperative Planning for Basin Electric Power
4 Cooperative (“Basin Electric”).

5 **2. Q. On whose behalf are you testifying?**

6 **A.** I am testifying on behalf of Basin Electric.

7 **3. Q. What is your educational background?**

8 **A.** I am a graduate of the North Dakota State University (1980) with a Bachelor of
9 Science degree in Electrical Engineering.

10 **4. Q. Please describe your employment history.**

11 **A.** I have worked for Basin Electric for over 34 years. I have throughout that time
12 held various positions, including Manager of Marketing and Power Supply
13 Planning.

14 **5. Q. What are your duties in your current position?**

1 **A.** I provide guidance to the CEO/General Manager, to other members of the
2 Executive Team, and the Board of Directors, on strategic issues of the
3 organization. I am responsible for providing a centralized enterprise-wide view to
4 address and develop strategies for the future success and benefit Basin Electric
5 and its member/owners on a near and long-term basis. I am responsible, on an
6 executive level, for addressing strategic decisions about future direction of the
7 organization. It is imperative to establish alignment between Basin Electric Board
8 of Director goals, enterprise strategy and member system initiatives; and to
9 monitor and measure strategic performance, methodology evolution and training.
10 I am also responsible for Basin Electric's Integrated Resource Planning processes;
11 the development, implementation, and negotiation of member Wholesale Power
12 Contracts; the development of member rate strategies and rate component levels;
13 the Cooperative's security activities; and Security and Response Services.

14 **6. Q. What is the purpose of your testimony in this proceeding?**

15 **A.** Basin Electric, Heartland Consumers Power District ("Heartland") and the
16 Western Area Power Administration – Upper Great Plains Region ("Western-
17 UGP") —sometimes referred to collectively as the "IS Parties" — desire to join
18 SPP as full Transmission Owning members. SPP and the IS Parties have agreed to
19 certain modifications to the SPP Open Access Transmission Tariff ("Tariff") to
20 facilitate and enable that undertaking. SPP has requested the Commission's
21 approval of those modifications in this docket. The purpose of my testimony is to
22 explain, from Basin Electric's perspective, the rationale and need for certain of
23 those proposed modifications.

1 **7. Q. Please describe the first Tariff modification you will explain.**

2 **A.** The first proposed modification I will address is the addition of a new section
3 39.3(d) to the Tariff. The new section will enable load serving entities in the
4 newly created Zone 19 (also referred to as the “Upper Missouri Zone” or “UMZ”)
5 to “co-supply” certain customers of Western using Network Integration
6 Transmission Service (“NITS”).

7 **8. Q. Please explain the “co-supply” concept.**

8 **A.** Today, in the IS footprint, Western-UGP supplies its Statutory Load Obligations
9 with Federal preference power through each preference customer’s fixed
10 allocation of preference power. Various supplemental power suppliers (such as
11 Basin Electric) then supply the remainder of those preference power customers’
12 power requirements. These supplemental power suppliers or “co-suppliers” are
13 permitted to use NITS to supply such supplemental power and are treated for all
14 purposes as Network Service customers delivering power to Network Loads. The
15 proposed “co-supply” modifications to the SPP Tariff are necessary to enable that
16 service to continue in the SPP footprint.

17 **9. Q. Why are the modifications necessary?**

18 **A.** The SPP Tariff as currently drafted permits only one Network Service customer
19 for each delivery point on the SPP transmission system. However, in the co-
20 supply situations described above, neither Western-UGP nor any of the co-
21 suppliers has the obligation or the ability to serve the full load at a “co-supply”
22 delivery point. Western-UGP is statutorily obligated to provide its preference
23 power customers with a certain allocation of the power it generates, and it does

1 not have sufficient hydropower to fulfill each customer's full power requirements.

2 As a result, Basin Electric and other co-suppliers are required to satisfy the
3 balance of the customer's needs, and they have planned their generation resources
4 to serve the portion of the loads that Western-UGP cannot supply. The absence of
5 a co-supply methodology would make it extremely difficult and perhaps
6 impossible for the IS Parties to join SPP.

7 **10. Q. How will the co-supply methodology work from an operational perspective?**

8 **A.** The allocation of Western-UGP is fixed in amount by customer. Accordingly,
9 Western-UGP will designate, on a day-ahead basis, the fixed delivery to each
10 specified co-supplied customer. The co-supplier will assume full responsibility for
11 the entire amount of the co-supplied customer's load in excess of the Western-
12 UGP designation. The obligations with respect to each co-supplied customer will
13 be specifically described in the Network Integration Transmission Service
14 Agreements ("NITSA") of Western and each co-supplier. The distribution to any
15 particular delivery point can change over time due to load growth. In this manner
16 the total load of each co-supplied customer will be served and will receive its load
17 ratio share of applicable charges and assessments.

18 **11. Q. To your knowledge, has the Commission ever permitted such an**
19 **arrangement in the past?**

20 **A.** It is my understanding that the Commission previously has permitted a co-supply
21 arrangement involving preference power customers. In *Duke Power Co.*, the
22 Commission permitted preference customers of the Southeast Power
23 Administration ("SEPA") to designate less than their entire load at a discrete point

1 as Network Load because the entire load would be served on a network basis
2 where “the portion of the preference customers’ loads met by their SEPA
3 allocation would be served under Duke’s open access transmission tariff, while
4 the remainder of the load continues to be met by bundled service.” 81 FERC ¶
5 61,010, 61,047 (1997). The Commission explained that “The entire load would
6 be served on a network basis, but payment would be made to Duke by SEPA for
7 the SEPA preference customers’ allocation, and by the preference customers for
8 the remainder of their loads. Thus, the preference customers’ entire loads can be
9 met using network service under Duke's open access transmission tariff.” *Id. See*
10 *also Duke Energy Corp.*, 86 FERC ¶ 61,220 (1999); *Duke Energy Corp.*, Docket
11 No. ER97-2398-000 (letter order dated April 29, 1999). Based on my
12 understanding of the *Duke Power Co.* case, the proposed co-supply arrangement
13 is consistent with Commission precedent.

14 **12. Q. What is the next proposed modification you will address?**

15 **A.** I will address the proposed addition of a new Section 39.4 to the Tariff.

16 **13. Q. Please summarize the content of proposed new Section 39.4.**

17 **A.** Section 39.1 of the Tariff clarifies and explains the interaction of the terms of the
18 Tariff, the governing board of an SPP member, the rules and regulations adopted
19 by the state of the member’s creation and the jurisdiction of this Commission with
20 respect to each SPP member that is “.... not a Public Utility under the Federal
21 Power Act, but rather is a public-power entity.” Although cooperative utilities are
22 often informally characterized as a segment of “public power,” that is not
23 technically correct. Basin Electric is not a public utility because it is a rural

1 electric cooperative that receives financing from the Rural Utilities Service.

2 Accordingly, the new Section 39.4 has been proposed to make it clear that

3 cooperatives such as Basin Electric are in fact entitled to the same protection

4 conferred upon “public power” entities under Section 39.1.

5 **14. Q. Why are those protections important to Basin Electric?**

6 **A.** The protections are important to many aspects of Basin Electric’s organization
7 and operation. For example, it is extremely important to Basin Electric that the
8 status of its Board of Directors as its sole authorized ratemaking authority is fully
9 recognized and protected. Its rates must be set and maintained in a particular
10 fashion to assure compliance with certain financing covenants and its Board must
11 have the ability to ensure continued compliance. Likewise, Basin Electric’s status
12 as a not-for-profit cooperative under North Dakota State laws requires it to
13 operate in a certain manner.

14 **15. Q. Please describe the next modification you will address.**

15 **A.** SPP has proposed a new Section II B.2(h) of Attachment L to the SPP Tariff,
16 which provides that when a Network Service customer in Zone 19 has designated
17 Network Load outside of SPP’s Transmission System under Section 31.3 of the
18 Tariff prior to October 1, 2015, revenues collected by SPP for NITS service with
19 respect to such loads will be distributed among the Transmission Owners in Zone
20 19.

21 **16. Q. What is the intent of this change?**

22 **A.** When energy generated by a Transmission Owner in Zone 19 is transmitted to a
23 load outside of Zone 19, the transmission service within SPP will be provided

1 only by the Zone 19 Transmission Owners. The other regions of SPP will not
2 provide any of that transmission service. Consequently, it is just and reasonable
3 for the revenues from that transmission service to be allocated within Zone 19.
4 Under the SPP Tariff as currently drafted, such revenue would be distributed on a
5 formulary, regional basis to all SPP members rather than just to Zone 19
6 transmission owners. That would increase transmission service costs in the new
7 Zone 19 substantially above present IS rates. This increased cost would present a
8 substantial deterrent to Basin Electric joining SPP.

9 **17. Q. Does this conclude your testimony?**

10 **A.** Yes it does.

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12
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14

VERIFICATION

Pursuant to 28 U.S.C. § 1746, I state under penalty of perjury that the foregoing testimony is true and correct to the best of my information, knowledge and belief.

Executed this 4th day of September, 2014.



David Raatz
Vice President of Cooperative Planning
Basin Electric Power Cooperative

42402-0021

DC781015368.1

Exhibit No. SPP-10

Direct Testimony of John Knofczynski

Exhibit No. SPP-10

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

Southwest Power Pool, Inc.

)

Docket No. ER14-____-000

**PREPARED DIRECT TESTIMONY
OF JOHN KNOFCZYNSKI ON BEHALF OF
HEARTLAND CONSUMERS POWER DISTRICT**

September 11, 2014

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

Southwest Power Pool, Inc.

)

Docket No. ER14-____-000

**Prepared Direct Testimony of John Knofczynski
on behalf of
Heartland Consumers Power District**

1 I. QUALIFICATIONS AND BACKGROUND

2 Q. Please state your name and current business address.

3 A. My name is John Knofczynski. My current business address is 432 SE 12th Street,
4 Madison, SD 57042.

5 Q. By whom are you employed and in what capacity?

6 A. I am employed by Heartland Consumers Power District (“Heartland”) in Madison,
7 South Dakota. I am the Chief Operating Officer for Heartland. As the Chief
8 Operating Officer, I am responsible for or directly supervise all activities related to
9 Heartland’s daily operations, resource planning and development, asset management,
10 regulatory compliance and marketing.

11 Q. Please describe your educational and professional background.

12 A. I received my Bachelor’s Degree in Electrical Engineering in 1987 from South
13 Dakota State University. After graduating, I began working for Burns & McDonnell
14 Engineering Company in Kansas City, Missouri. At Burns & McDonnell I was
15 involved in electric utility planning and in the design of electric power transmission

1 facilities. In April 2000, I began working for Ulteig Engineers in Minneapolis,
2 Minnesota, where I designed electric power transmission facilities. In January 2002,
3 I left Ulteig to take the position of Manager of Engineering at Heartland.

4 **Q. Have you previously filed testimony before any regulatory bodies?**

5 A. Yes, I have filed testimony in proceedings before both the South Dakota Public
6 Utilities Commission and the Minnesota Public Utilities Commission. A list of such
7 proceedings is set forth in Attachment 1. My testimony in those cases was related to
8 siting permits, certificates of need and route permits for new generation and
9 transmission facilities. I have also filed testimony before the Commission in
10 *Southwest Power Pool, Inc.*, Docket No. ER12-1179. My testimony in that
11 proceeding primarily addressed the scheduling of power flows associated with
12 grandfathered agreements within the Southwest Power Pool, Inc. (“SPP”) footprint.

13 **II. PURPOSE AND SUMMARY OF TESTIMONY**

14 **Q. What is the purpose of your testimony?**

15 A. The purpose of my testimony is to generally describe Heartland and the Integrated
16 System (“IS”), as well as the basis and conditions under which Heartland and the
17 other IS owners are seeking membership in SPP.

18 **Q. Please summarize your testimony.**

19 A. I first provide an overview and history of Heartland. Next, I describe the IS as well
20 as the role of the IS Parties (Heartland, Western Area Power Administration-Upper
21 Great Plains Region (“Western-UGP”), and Basin Electric Power Cooperative
22 (“Basin Electric”)) within the IS. After providing this background, I explain the

changes needed to the SPP Membership Agreement in order to allow the IS Parties to join SPP and to transfer to SPP functional control over significant portions of the IS. As I discuss below, the proposed changes to the SPP Membership Agreement fall into two categories — those pertaining to Western-UGP’s status as a Federal entity, and those pertaining to the IS Parties’ joint ownership of the facilities being transferred to SPP’s functional control. I then discuss the proposed Western-UGP-specific, Heartland-specific, and Basin Electric-specific Amendments to the SPP Membership Agreement. Those proposed entity-specific changes include establishing mutuality of termination rights to enable Heartland and Basin Electric to withdraw from the SPP on a timetable commensurate with a possible withdrawal by Western-UGP. Turning to the SPP Open Access Transmission Tariff (“Tariff”), I discuss the proposed method for distribution of revenues within Zone 19, which is the new pricing zone proposed for the geographic region in which the facilities of the IS are located.

III. ROLE OF THE IS PARTIES IN THE INTEGRATED SYSTEM

Q. Please briefly describe Heartland.

A. Heartland is a public corporation and political subdivision of the State of South Dakota established under South Dakota’s Consumers Power District Law in 1969. As a political subdivision of a state, Heartland is not subject to the Commission’s jurisdiction over public utilities under the Federal Power Act. Heartland provides reliable low-cost wholesale power to 28 municipalities in eastern South Dakota, southwest Minnesota and northwest Iowa, to six South Dakota state agencies, and to one electric cooperative in South Dakota. Heartland’s 2014 peak customer demand is

1 projected to be 140 megawatt (“MW”) with annual energy consumption of
2 approximately 900,000 megawatt-hours. Heartland’s power supply customers are
3 located within the Western-UGP and the Midcontinent Independent System Operator,
4 Inc. (“MISO”) balancing areas. All of Heartland’s power supply customers located
5 within the Western-UGP balancing area and one customer located in the MISO
6 balancing area are co-supplied by Western-UGP, with Heartland providing the
7 supplemental capacity and energy above such customers’ Western-UGP hydropower
8 allocations. Heartland has electric generating resources located within the SPP and
9 Western-UGP balancing areas. The generating resource within the SPP balancing
10 area consists of Heartland’s 80 MW share of the coal-fired Whelan Energy Center
11 Unit 2. The generating resources within the Western-UGP balancing area include
12 Heartland’s 51 MW share of the coal-fired Laramie River Station and the 51 MW
13 Wessington Springs Wind Energy Center. Heartland jointly owns several high-
14 voltage electric transmission facilities, which are all included in the IS. These
15 transmission facilities include an undivided ownership share of the transmission
16 facilities of the Missouri Basin Power Project, the Groton Substation and the Irv
17 Simmons Project. The Missouri Basin Power Project includes about 750 miles of 230
18 kilovolt (“kV”) and 345-kV non-radial transmission lines and substations located
19 primarily in eastern Wyoming and western Nebraska. These facilities are jointly
20 owned with Basin Electric, Lincoln Electric System, Missouri River Energy Services,
21 Tri-State Generation and Transmission Association, and Wyoming Municipal Power
22 Agency. The Groton Substation is a 345/115-kV substation located in eastern South

1 Dakota and is jointly owned with Basin Electric and NorthWestern Energy. The Irv
2 Simmons Project consists of a 115-kV switching station and 8-mile 115-kV
3 transmission line located in central South Dakota. The Irv Simmons Project is jointly
4 owned with Missouri River Energy Services and West Central Electric Cooperative.

5 **Q. Please provide an overview of the Integrated System or “IS.”**

6 A. The IS is generally described as the backbone of the bulk electric transmission system
7 in the Upper Great Plains region of the United States. The IS includes approximately
8 9,500 miles of transmission lines rated 115 kV through 345 kV and stretches across a
9 seven state region. The system is bounded on the north by the Canadian border and
10 reaches into Nebraska in the south. From west to east, the IS spans from eastern
11 Montana and Wyoming into western Minnesota and Iowa. The IS is unique in that it
12 spans the Eastern and Western Interconnections of the US electric grid. The IS
13 includes the combined transmission facilities of Western-UGP, Basin Electric, and
14 Heartland. The IS is a jointly-owned and developed system that originally evolved
15 from the need to deliver Federal hydropower from the Pick-Sloan Missouri Basin
16 Program – Eastern Division to preference power customers in the region. The system
17 has been planned, expanded and operated to serve the transmission customers in the
18 region on an integrated single-system basis under a common open access
19 transmission tariff (“Western OATT”). The Western OATT was last accepted for
20 filing by the Federal Energy Regulatory Commission (“Commission”) in Docket No.
21 NJ10-1-000. The collaborative development of the IS has resulted in transmission
22 facilities that are highly integrated, and in many instances jointly owned, among the

1 IS Parties and with other transmission owners in the region. With the difficulties
2 inherent in operating the SPP Integrated Marketplace across the East-West
3 Interconnection, the IS Parties are transferring functional control of only their Eastern
4 Interconnection facilities to SPP. The Western Interconnection facilities will remain
5 under the functional control of Western-UGP.

6 **Q. Please explain the role of the IS Parties within the Integrated System.**

7 A. As stated above, the IS Parties are comprised of Western-UGP, Basin Electric and
8 Heartland. All of the IS Parties have obligations to provide capacity and energy to
9 load serving entities within the IS and use the IS for delivery of their capacity and
10 energy. Western-UGP, on behalf of all three IS Parties, operates the IS and
11 administers the Western OATT. Western-UGP also acts as the region's balancing
12 authority, and on behalf of the IS Parties and other users of the IS, enters into other
13 agreements to provide such services as reliability coordination and reserve sharing.
14 In addition, the IS Parties collaborate in the planning and expansion of the IS, and add
15 new qualifying facilities to the IS only upon the mutual agreement of all IS Parties.
16 Further, the IS Parties frequently coordinate their efforts for issues of common
17 interest, including joint studies and filings. An example of these mutual efforts is the
18 evaluation undertaken by the IS Parties and the subsequent joint negotiations with
19 SPP that preceded the filing in this docket.

20 **Q. Please explain the role of the Heartland within the Integrated System.**

21 A. As explained above, Heartland owns generation and transmission facilities and has
22 load serving obligations within the IS. Heartland also has responsibilities in the IS as

1 described under the IS Agreement. Although Heartland is the smallest of the IS
2 Parties, owning less than one-half percent of the facilities in the IS, it serves an
3 important role in the IS as a co-supplier with Western-UGP for many small public
4 power entities. As a co-supplier, Heartland has separate contractual arrangements
5 with the wholesale customers for supplemental power supply above the Western-UGP
6 hydropower allocations. Heartland's power supply obligations parallel Western-
7 UGP's obligations; Heartland performs forecasting, scheduling, rate setting, billing
8 and resource planning, has separate network service reservations and provides
9 services for the co-supplied customers.

10 **Q. Why did Heartland decide to pursue SPP membership?**

11 A. As one of the IS Parties, Heartland has been involved in the numerous investigations
12 and analyses, either of RTO development or membership, that have been conducted
13 by the IS Parties since the late 1990s. In each of the previous investigations, the
14 option for RTO formation or membership was determined to be infeasible for the IS
15 Parties. RTOs have been evaluated to address the increasing operational constraints,
16 regulatory pressures and diminishing market access experienced by the IS Parties. In
17 addition, with the start-up of its newest resource in 2011, the Whelan Energy Center
18 Unit 2, located within the SPP footprint, Heartland began operating within three
19 market regions: 1) a resource in SPP; 2) resources and loads within the IS; and 3)
20 resources and load within MISO. Managing load and resources across multiple
21 market seams and within three markets each with distinct rules has been difficult for a
22 small utility such as Heartland. In early 2011, the IS Parties began another

1 investigation of RTO membership comparing membership in the SPP and MISO
2 RTOs with continuing operations on a stand-alone basis. The initial investigation and
3 subsequent detailed analysis of RTOs performed by the IS Parties demonstrated that
4 all the IS Parties would benefit from operation within an RTO and that SPP
5 membership was the preferred option. To facilitate further evaluation of the costs and
6 benefits of SPP membership, Heartland executed a memorandum of understanding
7 with SPP on October 16, 2013.

8 **Q. Why did Heartland coordinate with Western-UGP with respect to the RTO**
9 **evaluation process?**

10 A. Through this evaluation process, Heartland recognized that it would be practical for
11 its customers within the IS, all of whom are also co-supplied with Western-UGP, only
12 if Heartland joined the same RTO as Western-UGP. Western-UGP undertook a
13 public process in late 2013 in which the stakeholders overwhelmingly supported
14 Western-UGP's recommendation to pursue membership in SPP. In order to simplify
15 its own operations, receive the benefits of operation within an RTO, and maintain a
16 viable co-supply operation with Western-UGP, Heartland's board of directors passed
17 a resolution on July 8, 2014 authorizing Heartland to become a member of SPP.

18 **IV. PROPOSED CHANGES TO THE SPP MEMBERSHIP AGREEMENT**

19 **Q. What is the SPP Membership Agreement?**

20 A. The SPP Membership Agreement, along with SPP's Tariff and Bylaws, is one of
21 SPP's Governing Documents. The Commission accepted the current version of the
22 Membership Agreement for filing by Letter Order dated May 14, 2014, issued in

1 Docket No. ER13-2031-001. The SPP Membership Agreement delineates, among
2 other things, SPP's rights, powers and obligations with respect to operation and
3 planning, the provision of transmission service, fiduciary duties and other matters.
4 The Membership Agreement also describes the rights, powers and obligations of
5 SPP's Members with respect to operation and maintenance of facilities, construction
6 and use of facilities, access to facilities and records, regional planning, pricing, and
7 compliance with applicable laws. In addition, the Membership Agreement sets forth
8 the terms and conditions for termination of membership, and provides a number of
9 miscellaneous provisions.

10 **Q. Please provide background regarding the changes being proposed for the SPP**
11 **Membership Agreement in this proceeding.**

12 A. This proceeding involves unique circumstances in that three entities, Western-UGP,
13 Basin Electric and Heartland, are becoming new SPP Members at the same time.
14 This simultaneous integration of the IS Parties into the SPP reflects the fact that the
15 IS Parties jointly own the IS, and therefore transferring functional control over the IS
16 to the SPP necessitates having the IS Parties become SPP Members in a coordinated
17 fashion. In fact, given the IS Parties' joint ownership, the highly interconnected
18 nature of the IS, and the co-supplied load obligations common among Western-UGP
19 and the two other IS Parties, it would be untenable for Western-UGP, Basin Electric
20 and Heartland not to join the SPP simultaneously. Also unique to this proceeding is
21 that one of the IS Parties, namely Western-UGP, is a Federal Power Marketing
22 Agency, and as such, is subject to various statutes and regulations to which other SPP

1 Members are not subject. The proposed changes to the SPP Membership Agreement
2 at issue in this proceeding reflect the foregoing unique circumstances.

3 **Q. Please describe the changes being proposed for the SPP Membership Agreement**
4 **in this proceeding.**

5 A. The changes to the SPP Membership Agreement proposed in this case generally fall
6 into two categories, one pertaining to Western-UGP's status as a Federal entity, and
7 the other pertaining to the IS Parties' joint ownership of the facilities being
8 transferred to SPP's functional control.

9 **Q. Please discuss the first category of proposed changes to the SPP Membership**
10 **Agreement.**

11 A. The first category of proposed changes includes adding the term "Federal Power
12 Marketing Agency" to the Definitions section of the SPP Membership Agreement,
13 and specifying Western-UGP's obligations under Federal law to deliver capacity and
14 energy from the output of Federal hydroelectric projects operated by the Department
15 of the Army and the Bureau of Reclamation to loads, including project use loads,
16 preference power customer loads and other loads required to be served under Federal
17 law. The accompanying testimonies of Carl Monroe and Lloyd Linke explain the
18 basis for the proposed changes to the Membership Agreement that are necessary to
19 enable Western-UGP to continue to meet its Statutory Load Obligations.

20 **Q. Please discuss the second category of proposed changes to the SPP Membership**
21 **Agreement.**

1 A. The second category of proposed changes includes adding the definition of the
2 “Upper Missouri Zone” (“UMZ”), also referred to as “Zone 19,” to reflect that a new
3 pricing zone is being added to the SPP Tariff, initially consisting of the IS Parties’
4 facilities that meet the definition of “Transmission Facilities” under Attachment AI of
5 the SPP Tariff. Also reflecting the IS Parties’ joint ownership and interconnected
6 nature of the IS, it is proposed in this proceeding that the termination provisions of
7 the SPP Membership Agreement be modified to enable Heartland and Basin Electric,
8 or any other future Member with Transmission Facilities in the UMZ, to withdraw
9 from the SPP, with less than the required twenty-four months’ notice, in the event that
10 Western-UGP or Basin Electric withdraws from the SPP. *See* section 4.2.2(b)(v) of
11 the Membership Agreement.

12 **Q. Please further discuss the proposed mutuality of termination rights.**

13 A. As noted above, this filing includes proposed changes to the SPP Membership
14 Agreement to enable the IS Parties to withdraw from SPP in a coordinated fashion
15 and on roughly the same timetable. Such proposed changes are necessary, in light of
16 the IS Parties’ joint ownership and highly interconnected nature of the IS. As
17 proposed herein, Section 4.2.2(b)(v) of the Membership Agreement would allow a
18 transmission owning Member of SPP in the UMZ to terminate the Membership
19 Agreement in the event SPP files and the Commission accepts or approves changes to
20 the SPP Tariff or to one or more of the IS Parties’ Network Operating Agreement
21 (“NOA”) or Network Integration Transmission Service Agreement (“NITSA”), to the
22 extent such changes are materially adverse to one or more of the IS Parties. The IS

1 Parties believe it is important that the mutually agreeable conditions under which the
2 IS Parties collectively consented to become SPP Members be preserved. The IS
3 Parties' joint ownership of the IS, the highly interconnected nature of the IS, and the
4 long-term co-supply obligations that the IS Parties have with regard to a large share
5 of the load within the IS reflect a long history and unique relationship among the IS
6 Parties. The changes proposed to the SPP Governing Documents were developed in
7 concert by the IS Parties to facilitate SPP membership for all the IS Parties.

8 Likewise, if membership becomes untenable for one or more of the IS Parties, it is
9 very likely untenable for all. For this reason, the IS Parties proposed withdrawal
10 rights at Section 4.2.2(b)(v) of the Membership Agreement and in the Membership
11 Agreement Amendments of the IS Parties as necessary and essential to the effective
12 integration and successful membership of the IS Parties in SPP.

13 **Q. Why is the mutuality of termination rights important to Heartland?**

14 A. The right to withdraw from SPP, simultaneously with Western-UGP or Basin
15 Electric, reflects the interconnected nature of the IS, Heartland's heavy reliance on
16 the Western-UGP and Basin Electric transmission facilities for deliveries to its
17 network customers, and the unique co-supply load-serving obligation shared by
18 Western-UGP and is essential for Heartland's successful operation. Membership in
19 SPP for Heartland would be unworkable if Heartland could not withdraw
20 simultaneously with Western-UGP or Basin Electric.

21 **Q. Please discuss the proposed Heartland Amendments to the SPP Membership**
22 **Agreement.**

1 A. The proposed Heartland-specific Amendments to the Membership Agreement set
2 forth additional provisions applicable to Heartland regarding dispute resolution,
3 withdrawal, and obligation to build. Withdrawal rights include Heartland's right to
4 terminate its membership in the SPP with less than twenty-four months' notice in the
5 event (1) Western-UGP withdraws its own membership from the SPP, (2) the
6 Commission determines that SPP has not adhered to changes to the SPP Tariff, to
7 Heartland's NITSA or NOA that SPP and Heartland had agreed to, or (3) SPP files
8 and the Commission accepts or approves changes to the SPP Tariff, Heartland NITSA
9 or Heartland NOA, without Heartland's consent, that are materially adverse to
10 Heartland. The right of Heartland to withdraw, simultaneously with Western-UGP,
11 reflects the interconnected nature of the IS and the unique co-supply load-serving
12 obligation shared by Western-UGP and Heartland that would be untenable if
13 Heartland could not withdraw on a timetable commensurate with Western-UGP's
14 withdrawal from SPP. The Heartland-specific Amendments further provide that
15 dispute resolution, under the term of the Amendments, can be binding on Heartland's
16 board of directors, as the independent governing body under South Dakota statute,
17 only to the extent agreed upon by the board of directors and only subject to the terms
18 and conditions set by such board. Likewise, the proposed Heartland-specific
19 Amendments also provide that Heartland's board of directors maintain its statutory
20 authority and has the discretion to decide whether Heartland will construct new
21 transmission facilities specified by SPP, but that such board of directors shall not
22 replace any state regulatory authority with siting responsibility under state law.

1 **Q. Please discuss the proposed Basin Electric-specific Amendments to the SPP**
2 **Membership Agreement.**

3 A. The proposed Basin Electric-specific Amendments to the Membership Agreement are
4 essentially the same as those in the Heartland-specific Amendments, and spell out
5 Basin Electric’s additional rights with regard to dispute resolution, withdrawal and
6 obligation to build.

7 **V. ZONE 19 REVENUE DISTRIBUTION**

8 **Q. What is Zone 19?**

9 A. Under the SPP Tariff, a Zone is the geographic area of the facilities of a Transmission
10 Owner or a specific combination of Transmission Owners as specified in Schedules 7,
11 8 and 9. Zone 19 is the new pricing zone proposed for the geographic region in
12 which the facilities of the IS are located. Zone 19 is also referred to as the UMZ to
13 signify that the facilities to be integrated into SPP in this proceeding are located in or
14 close to the drainage basin of the northern reaches of the Missouri River.

15 **Q. What is the proposed method for distribution of revenues within Zone 19?**

16 A. The revenue distribution proposed for Zone 19 is similar to the revenue distribution
17 for other Zones under the SPP Tariff, with one important distinction. In particular,
18 the IS Parties have proposed in Section II.B.2(h) of Attachment L of the SPP Tariff
19 that revenues collected for Network Integration Transmission Service (“NITS”) from
20 a Network Customer in Zone 19 for Network Load outside the SPP Transmission
21 System designated prior to October 1, 2015, under Section 31.3 of the SPP Tariff be
22 allocated to the Transmission Owners of Zone 19.

1 **Q. How is the proposed distribution of revenues within Zone 19 different from the**
2 **distribution in other SPP Zones?**

3 A. The proposed revenue distribution is different solely in the treatment of revenues
4 collected for NITS from a Network Customer in Zone 19 that has Network Load
5 outside the SPP Transmission System under Section 31.3 of the Tariff designated
6 prior to October 1, 2015, and only for that portion of the Network Customer's
7 Network Load. In the other SPP Zones, revenue distribution for NITS is described in
8 Section II.B.2(f) of Attachment L of the Tariff. This Section specifies that these
9 revenues for NITS from a Network Customer's Network Load outside the SPP
10 Transmission System shall be distributed among all Transmission Owners in SPP on
11 the same basis as revenues collected for Point-To-Point Transmission Service
12 ("PTP"). Revenue distribution from PTP under the Tariff is generally distributed to
13 all Transmission Owners in SPP, 50 percent distributed in proportion to their
14 respective Zonal ATRRs and 50 percent to Transmission Owners whose facilities
15 incur MW-mile impacts due to the transaction. As described above, the proposed
16 distribution of revenues under Attachment L II.B.2(h) allocates that revenue back to
17 the Transmission Owners of Zone 19.

18 **Q. Why are the IS Parties proposing this different distribution of revenues for Zone**
19 **19?**

20 A. As described above, the IS was originally planned and developed for the delivery of
21 Federal hydropower from the Missouri main-stem dams by Western-UGP. Much of
22 that preference-customer load is located outside the IS and within the transmission

1 systems of other transmission owners and transmission providers. Basin Electric,
2 Heartland and other users of the IS also have network load outside the IS and have
3 historically used NITS under the Western OATT for their deliveries to network load
4 outside the IS. Thus, unlike a typical transmission system, the IS was constructed to
5 facilitate significant exports to serve preference customers and network load outside
6 the IS. This historical use of the system is reflected in the revenues collected from
7 the preference customers' rates and the Western OATT. These revenues are
8 generally distributed to the transmission owners based on their investment in the IS.
9 The inability to maintain the revenue within Zone 19 for this historical use of network
10 service for deliveries outside the IS would adversely impact the revenues that would
11 be realized in the proposed Zone 19. The revenue distribution specified in Section
12 II.B.2(f) of Attachment L would result in most of the revenue historically collected
13 under the Western OATT for this drive-out service being distributed to other SPP
14 Transmission Owners. This would not be reasonable because the IS Parties do not
15 need to use the transmission systems of any of the current SPP transmission owners
16 to serve those loads. As such, the IS Parties have proposed the revenue distribution
17 specified in Section II.B.2(h) of Attachment L.

18 **Q. Does that conclude your testimony?**

19 **A. Yes.**

John Knofczynski – List of Previous Testimony

Federal Energy Regulatory Commission

Southwest Power Pool, Inc., Docket No. ER12-1179, on behalf of Heartland Consumers Power District

South Dakota Public Utilities Commission

In the Matter of the Application by Otter Tail Power Company on Behalf of the Big Stone II Co-Owners for an Energy Conversion Facility Siting Permit for the Construction of the Big Stone II Project, Case No. EL05-022, on behalf of Heartland Consumers Power District

Minnesota Public Utilities Commission

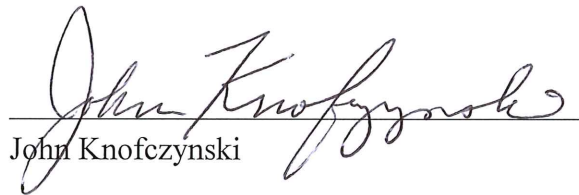
In the Matter of the Application by Otter Tail Power Company and Others for Certification of Transmission Facilities in Western Minnesota and in the Matter of the Application to the Minnesota Public Utilities Commission for a Route Permit for the Big Stone Transmission Project in Western Minnesota, MPUC Docket Nos. CN-05-619 and TR-05-1275, on behalf of Heartland Consumers Power District

AFFIDAVIT

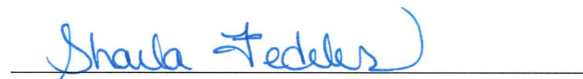
STATE OF SOUTH DAKOTA)

LAKE COUNTY)

I, **John Knofczynski**, being duly sworn according to law, state under oath that the matters set forth in my Prepared Direct Testimony in this docket are true and correct to the best of my knowledge, information and belief.


John Knofczynski

Subscribed and sworn to before me, a Notary Public, on this 27th day of August, 2014.


Notary Public

My Commission expires: 1/26/17



Exhibit No. SPP-11

Mark A. Gabriel Letter Dated January 9, 2014



Department of Energy
Western Area Power Administration
P.O. Box 281213
Lakewood, CO 80228-8213

JAN 09 2014

Dear Customers and Other Interested Parties:

On November 1, 2013, Western Area Power Administration (Western) published a *Federal Register* notice (FRN) with a recommendation to pursue formal negotiations with the Southwest Power Pool (SPP), a Regional Transmission Organization (RTO), concerning membership in SPP. The recommendation applies to the transmission facilities within the Pick-Sloan Missouri Basin Program-Eastern Division administered by Western's Upper Great Plains Region (Western-UGP).

This FRN allowed for a comment period, which ended December 16, 2013, seeking public input from Western's customers, tribes, stakeholders, and the public at large concerning the proposal to pursue formal negotiations for membership in SPP. Western engaged in outreach to customers and other interested parties via a kickoff webinar held November 13, 2013, and three (3) public meetings held November 19-21, 2013, in Lincoln, NE, Sioux Falls, SD, and Fargo, ND. Approximately 108 individuals attended those meetings, and Western received written comments/questions from 237 entities and individuals.

After considering all comments, questions, and concerns received, Western has made a decision to implement the recommendation.

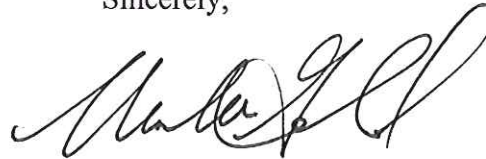
The overwhelming majority of the letters received were supportive of Western moving forward with the recommendation to pursue formal negotiations for Western-UGP membership with SPP. While the majority of the commenters supported the recommendation, some voiced concerns over the uncertainty of how this could affect them or their members and the relationship with Western-UGP. Some commenters asked detailed operational questions that can only be responded to on a case-by-case basis. Western has posted all of the comments received on our website and prepared a question and answer summary which is also posted. Similar questions have been summarized and a response provided. Some questions and comments cannot be addressed until negotiations are completed with SPP. The outcome of those negotiations will be addressed in a Western/SPP membership agreement as well as likely changes to the SPP tariff and/or bylaws. As discussed in the Alternate Operations Study (AOS), those changes will be worked through the normal SPP committee processes, SPP Board approval, and ultimately filed with the Federal Energy Regulatory Commission.

Based on the results of the AOS study, the unique marketing and transmission footprint of the Western-UGP region, as well as the responses received during the comment period, I am authorizing staff to move forward with the recommendation to pursue formal negotiations with SPP to make official membership possible.

Western will be vigilant in these negotiations to ensure we comply with our legislated requirements and continue to provide reliable, low-cost, cost-based, hydro power to our preference customers consistent with sound business principles. Please continue to visit our website for the latest information at:

<http://www.wapa.gov/ugp/PowerMarketing/AlternateOperationsStudy/AOS.htm>

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark A. Gabriel', with a large, stylized 'G' at the end.

Mark A. Gabriel
Administrator

Exhibit No. SPP-12

Heartland Consumers Power District's

Board Resolution

RESOLUTION NO. 2014-03

WHEREAS, the Memorandum of Understanding approved by the Board of Directors on October 16, 2013 authorized the District to investigate membership in the Southwest Power Pool (SPP) for the purposes of placing the District's transmission facilities and transmission service under the SPP Open Access Transmission Tariff (OATT) and the functional control and operational authority of SPP, and providing for the District's participation in the SPP Integrated Marketplace; and

WHEREAS, after investigations and discussions with SPP, a Membership Agreement and SPP OATT provisions have been prepared in the form and substance that fulfills the operating and legal requirements of the District and supports the integration of the Integrated System into SPP; and

WHEREAS, on June 9, 2014, the SPP Board of Directors approved said Membership Agreement and said SPP OATT provisions; and

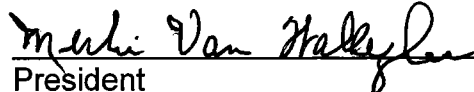
WHEREAS, said Membership Agreement and said provisions for the SPP OATT must be submitted to the Federal Energy Regulatory Commission (FERC) for acceptance and approval to be effective; and

WHEREAS, management requests authorization to execute the Membership Agreement in the form and substance presented to the Board at this meeting and to participate in any proceedings at the FERC relating to approval of the Membership Agreement and the SPP OATT provisions,

NOW, THEREFORE, BE IT RESOLVED, that management be and is hereby authorized to execute the Membership Agreement with SPP in the form and substance presented to the Board and to take any and all appropriate action involving approval of said Membership Agreement and said SPP OATT provisions, including participation in any related SPP proceedings before the FERC.

BE IT FUTRTHET RESOLVED that the District's participation in SPP is conditioned upon receiving FERC acceptance and approval, without modification, of said Membership Agreement and said SPP OATT provisions.

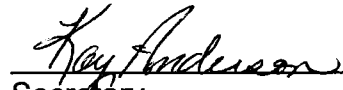
Dated at Madison, SD, this 8th day of July, 2014.



President
Heartland Consumers Power District

CERTIFICATE

I, Kay Anderson, being Secretary of the HEARTLAND CONSUMERS POWER DISTRICT, do hereby certify that the foregoing Resolution was adopted by the Board of Directors of the HEARTLAND CONSUMERS POWER DISTRICT at its regular meeting on June 8, 2014, and that said Resolution has not been rescinded, and remains in full force and effect.



Secretary
Heartland Consumers Power District

Exhibit No. SPP-13

Basin Electric Power Cooperative's

Board Resolutions

BASIN ELECTRIC POWER COOPERATIVE C E R T I F I C A T E

I, Claire M. Olson, do hereby certify that I am the presently duly elected, qualified and acting Assistant Secretary of Basin Electric Power Cooperative, an electric cooperative corporation organized under the laws of the State of North Dakota ("Basin Electric") and the keeper of its records; that the following is a true and correct excerpt from the minutes of the meeting of the Board of Directors of Basin Electric held April 9-10, 2013:

RESOLVED, that the CEO and General Manager is authorized to support the Western Area Power Administration in its federal process to join the Southwest Power Pool (SPP); and

BE IT FURTHER RESOLVED, that the CEO and General Manager is authorized to negotiate with SPP with respect to terms and conditions upon which the Cooperative might join SPP as a transmission-owning member. Final authorization to join SPP shall be subject to final approval by the Board of Directors.

Said resolution has never been rescinded, amended or modified, and is presently in full force and effect.

Dated this 25th day of August, 2014.





Claire M. Olson, Assistant Secretary

BASIN ELECTRIC POWER COOPERATIVE C E R T I F I C A T E

I, Claire M. Olson, do hereby certify that I am the presently duly elected, qualified and acting Assistant Secretary of Basin Electric Power Cooperative, an electric cooperative corporation organized under the laws of the State of North Dakota ("Basin Electric") and the keeper of its records; that the following is a true and correct excerpt from the minutes of the meeting of the Board of Directors of Basin Electric held July 15-17, 2014:

BE IT HEREBY RESOLVED, that the CEO and General Manager, or his designee, is hereby authorized and empowered to execute and deliver on behalf of the Cooperative all documents and instruments necessary to enable the Cooperative to join the Southwest Power Pool on terms and conditions he deems to be in the best interests of the Cooperative; and

BE IT FURTHER RESOLVED, that the CEO and General Manager, or his designee, is authorized and empowered to incur and pay all costs and expenses associated with integration of the Cooperative into the Southwest Power Pool as a full transmission-owning member.

Said resolution has never been rescinded, amended or modified, and is presently in full force and effect.

Dated this 25th day of August, 2014.





Claire M. Olson, Assistant Secretary

Exhibit No. SPP-14

Membership Agreement Signature Page

and

Amendments to SPP Membership Agreement

for

the Western Area Power Administration – Upper Great
Plains Region

IN WITNESS WHEREOF, Member and SPP have caused their duly authorized representatives to execute this Agreement on their respective behalves.

MEMBER:

Western Area Power Administration-Upper Great Plains Region

Name of Member

Non-Transmission Owner

Type of Entity (Transmission Owner or Non-Transmission Owner)

Robert J. Harris

Name of Authorized Representative

Regional Manager

Title of Authorized Representative

Robert J. Harris

Signature of Authorized Representative

9/10/14

Date of Execution

SOUTHWEST POWER POOL, INC.:

Nicholas A. Brown

Name of Authorized Representative

President CEO

Title of Authorized Representative

Nicholas A. Brown

Signature of Authorized Representative

9/10/14

Date of Execution

AMENDMENTS TO SPP MEMBERSHIP AGREEMENT FOR THE WESTERN AREA POWER ADMINISTRATION-UPPER GREAT PLAINS REGION

A1. Participation by the Western Area Power Administration-Upper Great Plains Region

A1.1 Subject to Acts of Congress

The participation by the United States through the Western Area Power Administration-Upper Great Plains Region ("Western-UGP") in this Agreement is subject in all respects to acts of Congress and to regulations of the Secretary of Energy established thereunder, and to rate schedules promulgated by the Secretary of Energy. This reservation includes, but is not limited to, the statutory limitations upon the authority of the Secretary of Energy to submit disputes arising under this Agreement to arbitration. In the event of a conflict between these Federal participation provisions set forth in this Section A1 and any other provision of this Agreement, these Federal participation provisions shall have precedence with respect to the application of this Agreement to the United States.

A1.2 Federal Service Exemption

Western-UGP was established on December 21, 1977, pursuant to Section 302 of the Department of Energy Organization Act, Public Law 95-91, dated August 4, 1977. By law, the Department of the Army (Corps) or the U.S. Bureau of Reclamation (Bureau of Reclamation) provide Federal power resources to its project use customers. By law, Western-UGP markets Federal power resources to its firm electric service customers. These are both considered Statutory Load Obligations that will be provided for under the Western-UGP Federal Service Exemption. Western-UGP's transmission system was built primarily to enable the delivery of Federal power to satisfy these obligations. Use of transmission facilities that Western-UGP owns, operates, or to which it has contract rights for delivery of Federal long-term firm capacity and energy to project use and Western-UGP's preference power customers is a Western-UGP responsibility under the terms and conditions of its marketing plan and electric service contracts implementing statutory obligations to market Federal power. This is complementary with the provisions of transmission service under the Agreement. Capacity in transmission facilities provided by Western-UGP under this Agreement is solely for the use of Available Transfer Capability in excess of the capability Western-UGP requires for the delivery of long-term firm capacity and energy to Statutory Load Obligations. Western-UGP retains the Available Transfer Capability from its Federal Power-Western-UGP in the UMZ to deliver to its Statutory Load Obligations

A1.2.1 Western-UGP shall be exempt from Schedule 11 Region-wide Charges (for both regionally shared facilities external to the UMZ and those internal to the UMZ) for Western-UGP's delivery of Federal generation to Western-UGP's Statutory Load Obligations. Any SPP ordered regionally shared projects within the UMZ to address SPP system-wide requirements will not impact Western-UGP's transmission charges to its Statutory Load Obligations. SPP will not

assess any Schedule 11 Region-wide Charge, associated with transmission facilities in the Eastern Interconnection, for load that is located in the Western Interconnection and for the portion thereof that is served exclusively by resources in the Western Interconnection.

A1.2.2 Western-UGP shall be exempt from SPP congestion and financial marginal loss charges for deliveries from Federal resources across the UMZ to Western-UGP's Statutory Load Obligations. Western-UGP shall be responsible for providing the Transmission Provider average losses for the energy delivered under the Federal Service Exemption across the UMZ.

A1.3 Compliance with Section 1232(c) of the Energy Policy Act of 2005

The parties have made modifications to this Agreement, the Bylaws, and the OATT to enable Western-UGP to execute the Agreement, abide by the Bylaws, and provide and take transmission service under the OATT. These revisions have been made to ensure the goals, objectives, and requirements of the Energy Policy Act of 2005, Pub. L. No. 109-58, 119 Stat. 594 (2005) (EPAAct 2005) are met. SPP and Western-UGP will ensure compliance with the performance standards, monitoring, and oversight requirements of Section 1232(c) of EPAAct 2005 by taking the following actions:

- a) SPP will annually provide Western-UGP with copies of any nonconfidential content of its strategic plan and annual targets used for monitoring compliance with the plan through oversight and monitoring as performed by its Board of Directors and Members Committee.
- b) SPP will annually make reasonable efforts to provide Western-UGP with nonconfidential information regarding its performance as a Transmission Provider in meeting its obligations under section 2.1.1 of the Agreement.
- c) SPP will annually make reasonable efforts to provide Western-UGP with nonconfidential information regarding its performance as a Reliability Coordinator in meeting its obligations under section 2.1.2 of the Agreement.
- d) Western-UGP will utilize the inspection and auditing procedures under section 2.4.1 of the Agreement to verify the annual reports provided by SPP.
- e) Western-UGP will ensure its obligations for oversight and monitoring of SPP's performance as required by EPAAct 05 are met through participation on the Members Committee and the Governance Committee.
- f) Recovery of all of the costs and expenses related to Western-UGP transmission facilities shall be made in accordance with Sections 3.10 and 3.11 of the Agreement.

A1.4. Contingent Upon Appropriations and Authorization

Where activities provided for in this Agreement extend beyond the current fiscal year, continued expenditures by the United States through Western-UGP are contingent upon Congress making the necessary appropriations required for the continued performance of

the obligations of Western-UGP under this Agreement. In case such appropriation is not made, SPP hereby releases Western-UGP from its contractual obligations under this Agreement and from all liability due to the failure of Congress to make such appropriation.

A1.5 Employment Practices; SPP Agreement

During the performance of this Agreement, SPP agrees to the provisions set forth in OATT Section 39.3 and its subdivisions. In addition, the Agreement will include the following provisions in every subcontract or purchase order involving Western-UGP unless exempted by rules, regulations, or order of the Secretary of Labor.

A1.5.1 Equal Opportunity Employment Practices

Section 202 of Executive Order No. 11246, 30 Fed. Reg. 12319 (1965), as amended by Executive Order No. 12086, 43 Fed. Reg. 46501 (1978), which provides, among other things, that the Agreement will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, is incorporated by reference in the Agreement by reference to same as if the specific language had been written into the Agreement, except that Indian Tribes and tribal organizations may apply Indian Preference to the extent permitted by Federal law.

A1.5.2 Contract Work Hours and Safety Standards

The Agreement, to the extent that it is of a character specified in Section 103 of the Contract Work Hours and Safety Standards Act ("Act"), 40 U.S.C. § 3701, as amended or supplemented, is subject to the provisions of the Act, 40 U.S.C. § 3701-3708, as amended or supplemented, and to regulations promulgated by the Secretary of Labor pursuant to the Act.

A1.5.3 Use of Convict Labor

SPP agrees not to employ any person undergoing sentence of imprisonment in performing the Agreement except as provided by 18 U.S.C. § 3622(c), as amended or supplemented, and Executive Order No. 11755, 39 Fed. Reg. 779 (1973), as amended or supplemented.

A1.6 Federal Projects

The individual hydroelectric projects from which the Western-UGP markets capacity and energy are owned and controlled by the Corps or the Bureau of Reclamation. These projects are operated to satisfy multiple purposes such as irrigation, navigation, flood control, fish and wildlife, and recreation, as well as power production. Any operation of, and maintenance, modification or addition to such projects is subject to the requirements and express approval of either Corps or the Bureau of Reclamation. The Parties also recognize and agree that Western-UGP's transmission system is integrated at various locations through switchyard facilities owned and operated by the Corps or Bureau of Reclamation. Any operation of, and maintenance, modification, or addition to such

facilities, including the funding of such activities, is subject to the requirements and express approval of the Corps or Bureau of Reclamation. Western-UGP shall communicate and coordinate with the Corps or Bureau of Reclamation on any operation of, and maintenance, modification, or addition to the Corps or Bureau of Reclamation facilities as requested by SPP; Provided, that compliance with SPP's request shall be within the discretion of and subject to the approval of the Corps or Bureau of Reclamation. In the event SPP requests changes due to redispach, operation, maintenance or addition to hydroelectric generation owned and operated by the Corps or Bureau of Reclamation and marketed by Western-UGP, Western-UGP shall coordinate its operations with the Corps and Bureau of Reclamation to accommodate SPP's request to the extent allowed by the Corps or Bureau of Reclamation. Nothing in this section is intended to change the Corps or Bureau of Reclamation obligations pursuant to their registration with NERC.

A1.7 Transmission Expansion, Interconnections, Modifications, and Additions

SPP recognizes that as a Federal agency, Western-UGP must comply with various environmental and natural resource laws regulating the construction, operation and maintenance of its transmission facilities, including but not limited to the National Historic Preservation Act, 16 U.S.C § 470 to 470x-6, the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321-4347 ("NEPA"), the Endangered Species Act, 16 U.S.C. §§ 1531-1544, and the Archaeological Resources Protection Act of 1979, 16 U.S.C. § 470aa-470mm (2006); and regulations, and executive orders implementing these laws, as they may be amended or supplemented, as well as any other existing or subsequent applicable laws, regulations and executive orders. SPP shall comply with environmental laws, regulations and resource protection measures that apply to SPP, including but not limited to, any mitigation measures and Best Management Practices that apply to SPP and are associated with a transmission or interconnection customer's requested service. SPP understands that Western-UGP's decision to allow transmission expansion, interconnections, modifications and additions is dependent on conclusions reached in the record of decision under NEPA, or other such appropriate NEPA document, concerning the respective project and that Western-UGP's NEPA review could result in a decision not to take action or to delay action. This decision shall not be subject to dispute resolution.

A1.8 Net Billing

Payments due Western-UGP may be offset against payments due SPP. For services included in net billing procedures, payments due one Party in any month shall be offset against payments due the other Party in such month, and the resulting net balance shall be paid to the Party in whose favor such balance exists. The Parties shall exchange such reports and information that either Party requires for billing purposes. Net billing shall not be used for any amounts due which are in dispute.

A1.9 Bill Crediting

Payments to Western-UGP by SPP shall be paid by SPP to a third party when so directed by Western-UGP. Any third party designated to receive payment in lieu of Western-UGP, and the amount to be paid to that party, will be so identified in writing to SPP. The payment to the third party shall be due and payable by the payment due date specified on Western-UGP's bill. When remitting payment to a designated third party, SPP shall indicate that such payment is being made on behalf of Western-UGP. Western-UGP shall credit SPP for the amount paid as if payment had been made directly to Western-UGP.

A1.10 Federal Power Marketing Agency Termination

- (a) Notwithstanding anything else in the Agreement, Western-UGP may terminate this Agreement and withdraw as a member of SPP with less than the advanced notice required by Section 4.2.2 of the Agreement. Western-UGP shall not be required to pay the exit fees outlined in Section 4.3 (entitled Obligations Upon Termination) of the Agreement, Section 8.4 (entitled Monthly Assessments) and Section 8.7 (entitled Financial Obligation of Withdrawing Members) of the Bylaws in the event FERC finds that SPP has not adhered to all of the Federal Power Marketing Agency Amendments or if SPP files and FERC approves material changes to the Federal Power Marketing Agency Amendments. In such event, Western-UGP and SPP shall meet and confer to facilitate the withdrawal as soon as practicable or as necessary to facilitate the withdrawal.
- (b) Should Western-UGP exercise any type of termination of this Agreement, Western shall not be responsible for payment of facility expansion costs under regional Schedule 11, including but not limited to capital, interest, prepayment premiums or penalties, for past, present or future SPP construction projects.

A1.11 No Expansion of Jurisdiction, Waiver Of Defenses, Liability For Penalties, Or Inconsistent Obligations

By entering into this Agreement, Western-UGP has not waived or conceded any defense it may have, including sovereign immunity, intergovernmental immunity, or lack of subject matter jurisdiction in any action against it by an Enforcement Authority, nor has Western accepted any liability, responsibility, or obligation to pay any civil monetary penalties or fines imposed by an Enforcement Authority to which it would not have been subject in the absence of this Agreement. SPP, in accepting Western-UGP as a member, does not thereby concede or accept responsibility for any portion of a penalty or fine attributable to the actions or omissions of Western-UGP. SPP will identify the amount of any penalty or fine that SPP allocates to Western-UGP or that SPP determines is attributable to Western-UGP and will identify that amount to FERC as uncollectable and not otherwise owed by SPP. Enforcement Authority in this Agreement means the Federal Energy Regulatory Commission (FERC), Electric Reliability Organization

(ERO), or Regional Entities with enforcement authority pursuant to a delegation from an ERO or FERC for the purpose of proposing and enforcing reliability standards.

A.2 Amendments Not Severable

Pursuant to Section 8.4 of the Agreement, these Amendments shall not be considered severable from the other provisions of Western-UGP's Membership Agreement with SPP. If for any reason any provision of these Amendments, or the application thereof to any person, entity, or circumstance, is determined by a court or regulatory authority of competent jurisdiction to be invalid, void, or unenforceable, then the remaining provisions of Western-UGP's Agreement with SPP shall no longer be in effect with respect to Western-UGP.

IN WITNESS WHEREOF, Western-UGP and SPP have caused their duly authorized representatives to execute, on their respective behalves, these Amendments to Western-UGP's Membership Agreement with SPP, which Amendments are fully applicable and incorporated in to said Membership Agreement and together shall constitute one and the same instrument binding upon Western-UGP and SPP.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

WESTERN AREA POWER ADMINISTRATION-UPPER GREAT PLAINS REGION:Non-Transmission Owner

Type of Entity (Transmission Owner or Non-Transmission Owner)

Robert J. Harris

Name of Authorized Representative

Regional Manager

Title of Authorized Representative

Robert J. Harris

Signature of Authorized Representative

9/10/14

Date of Execution

SOUTHWEST POWER POOL, INC.:Nicholas A. Brown

Name of Authorized Representative

President, CEO

Title of Authorized Representative

Nicholas A. Brown

Signature of Authorized Representative

9/10/14

Date of Execution

Exhibit No. SPP-15

Membership Agreement Signature Page

and

Amendments to SPP Membership Agreement

for

Basin Electric Power Cooperative

IN WITNESS WHEREOF, Member and SPP have caused their duly authorized representatives to execute this Agreement on their respective behalves.

MEMBER:

Basin Electric Power Cooperative

Name of Member

Transmission Owner

Type of Entity (Transmission Owner or Non-Transmission Owner)

Paul Sukut

Name of Authorized Representative

CEO & General Manager

Title of Authorized Representative

Signature of Authorized Representative

Date of Execution September 9, 2014

SOUTHWEST POWER POOL, INC.:

Nicholas A. Brown

Name of Authorized Representative

Vice President, CEO

Title of Authorized Representative

Signature of Authorized Representative

Date of Execution 9/10/14

**AMENDMENTS TO SPP MEMBERSHIP AGREEMENT
FOR BASIN ELECTRIC POWER COOPERATIVE**

A1. Dispute Resolution

Notwithstanding any provisions in the Agreement or the SPP Bylaws to the contrary, any disputes arising under the Agreement or SPP Bylaws and relating to determinations, decisions, conduct and actions made or taken by Basin Electric Power Cooperative ("Basin Electric") pursuant to its participation in SPP shall be subject to binding resolution under Section 3.13 of the SPP Bylaws only to the extent agreed upon by Basin Electric's board of directors, and subject to the terms and conditions set by Basin Electric's board of directors.

A2. Withdrawal Rights

Basin Electric may terminate this Agreement and withdraw as a member of SPP with less than the advance notice required by Section 4.2.2 of the Agreement in the event that (1) Western Area Power Administration-Upper Great Plains Region ("Western-UGP") withdraws from SPP in accordance with its withdrawal rights; (2) FERC finds that SPP has not adhered to all of the Federal Power Marketing Agency Amendments or all of the Basin Electric Amendments; or (3) SPP files and FERC approves one or more changes to the Basin Electric Amendments without Basin Electric's consent, and such changes have a material adverse effect on Basin Electric. In such event, Basin Electric and SPP shall meet and confer to facilitate the withdrawal as soon as practicable or as necessary to ensure compliance with state or Federal law. In the event of a withdrawal by Western-UGP, Basin Electric's withdrawal will become effective on the same date as that of Western-UGP. If Basin Electric exercises its withdrawal rights under this provision, the financial obligations will be calculated under § 4.3 of this Agreement.

A3. Obligation to Build Conditions

Basin Electric's board of directors shall have discretionary authority to decide whether Basin Electric will construct new transmission facilities. Basin Electric's board of directors shall not replace any state regulatory authority with responsibility for siting activities under state law.

IN WITNESS WHEREOF, Basin Electric and SPP have caused their duly authorized representatives to execute, on their respective behalves, these Amendments to Basin Electric's Membership Agreement with SPP, which Amendments are fully applicable and incorporated into said Membership Agreement and together shall constitute one and the same instrument binding upon Basin Electric and SPP.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

BASIN ELECTRIC POWER COOPERATIVE:

Basin Electric Power Cooperative

Type of Entity (Transmission Owner or Non-Transmission Owner)

Paul Sukut

Name of Authorized Representative

CEO & General Manager

Title of Authorized Representative

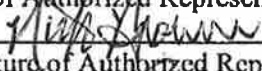

Signature of Authorized Representative

Date of Execution September 9, 2014

SOUTHWEST POWER POOL, INC.:

Nicholas A. Brown
Name of Authorized Representative

President, CEO
Title of Authorized Representative


Signature of Authorized Representative

9/10/14
Date of Execution

Exhibit No. SPP-16

Membership Agreement Signature Page

and

Amendments to SPP Membership Agreement

For

Heartland Consumers Power District

IN WITNESS WHEREOF, Member and SPP have caused their duly authorized representatives to execute this Agreement on their respective behalves.

MEMBER:

Heartland Consumers Power District

Name of Member

Transmission Owner

Type of Entity (Transmission Owner or Non-Transmission Owner)

Russell Olson

Name of Authorized Representative

Chief Executive Officer

Title of Authorized Representative



Signature of Authorized Representative

9/9/14

Date of Execution

SOUTHWEST POWER POOL, INC.:

Nicholas A. Brown

Name of Authorized Representative

Vice President CEO

Title of Authorized Representative



Signature of Authorized Representative

9/10/14

Date of Execution

**AMENDMENTS TO SPP MEMBERSHIP AGREEMENT
FOR HEARTLAND CONSUMERS POWER DISTRICT**

A1. Dispute Resolution

Notwithstanding any provisions in the Agreement or the SPP Bylaws to the contrary, any disputes arising under the Agreement or SPP Bylaws and relating to determinations, decisions, conduct and actions made or taken by Heartland Consumers Power District ("Heartland") pursuant to its participation in SPP shall be subject to binding resolution under Section 3.13 of the SPP Bylaws only to the extent agreed upon by Heartland's board of directors, and subject to the terms and conditions set by Heartland's board of directors.

A2. Withdrawal Rights

Heartland may terminate this Agreement and withdraw as a member of SPP with less than the advance notice required by Section 4.2.2 of the Agreement in the event that (1) Western Area Power Administration-Upper Great Plains Region ("Western-UGP") or Basin Electric Power Cooperative withdraws from SPP in accordance with its withdrawal rights; (2) FERC finds that SPP has not adhered to all of the Federal Power Marketing Agency Amendments or all of the Heartland Amendments; or (3) SPP files and FERC approves one or more changes to the Heartland Amendments without Heartland's consent, and such changes have a material adverse effect on Heartland. In such event, Heartland and SPP shall meet and confer to facilitate the withdrawal as soon as practicable or as necessary to ensure compliance with state or Federal law. In the event of a withdrawal by Western-UGP, Heartland's withdrawal will become effective on the same date as that of Western-UGP. If Heartland exercises its withdrawal rights under this provision, the financial obligations will be calculated under § 4.3 of this Agreement.

A3. Obligation to Build Conditions

Heartland's board of directors shall have discretionary authority to decide whether to construct new transmission facilities. Heartland's board of directors shall not replace any state regulatory authority with responsibility for siting activities under state law.

IN WITNESS WHEREOF, Heartland and SPP have caused their duly authorized representatives to execute, on their respective behalves, these Amendments to Heartland's Membership Agreement with SPP, which Amendments are fully applicable and incorporated into said Membership Agreement and together shall constitute one and the same instrument binding upon Heartland and SPP.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

HEARTLAND CONSUMERS POWER DISTRICT:

Transmission Owner _____
Type of Entity (Transmission Owner or Non-Transmission Owner)
Russell Olson _____
Name of Authorized Representative
Chief Executive Officer _____
Title of Authorized Representative

Signature of Authorized Representative
9/9/14 _____
Date of Execution

SOUTHWEST POWER POOL, INC.:

Nicholas A. Borden _____
Name of Authorized Representative
President, CEO _____
Title of Authorized Representative

Signature of Authorized Representative
9/10/14 _____
Date of Execution

Exhibit No. SPP-17

Illustrative Exhibit Showing Differences in Attachment V Appendix 13 – Western-UGP’s GIA versus SPP’s *Proforma* GIA

APPENDIX [613](#) TO THE GENERATOR INTERCONNECTION PROCEDURES

GENERATOR INTERCONNECTION AGREEMENT (GIA)

(For use when Western-UGP is a Party to the GIA, as the Transmission Owner)

- 5.1.1 Standard Option
- 5.1.2 Option to Build
- 5.1.3 Negotiated Option
- 5.2 General Conditions Applicable to Option to Build
- 5.3 ~~Liquidated Damages~~Reserved
- 5.4 Power System Stabilizers
- 5.5 Equipment Procurement
- 5.6 Construction Commencement
- 5.7 Work Progress
- 5.8 Information Exchange
- 5.9 Limited Operation
- 5.10 Interconnection Customer's Interconnection Facilities ('ICIF')
 - 5.10.1 Interconnection Customer's Interconnection Facility Specifications
 - 5.10.2 Transmission Owner's Review
 - 5.10.3 ICIF Construction
 - 5.10.4 Updated Information Submission by Interconnection Customer
 - 5.10.5 Information Supplementation
- 5.11 Transmission Owner's Interconnection Facilities Construction
- 5.12 Access Rights
- 5.13 Lands of Other Property Owners
- 5.14 Permits
- 5.15 Early Construction of Base Case Facilities
- 5.16 Suspension
 - 5.16.2 Exemptions
- 5.17 ~~Taxes~~Reserved
 - ~~5.17.1 Interconnection Customer Payments Not Taxable~~
 - ~~5.17.2 Representations and Covenants~~
 - ~~5.17.3 Indemnification for the Cost Consequences of Current Tax Liability Imposed Upon the Transmission Owner~~

~~5.17.4 Tax Gross Up Amount~~~~5.17.5 Private Letter Ruling or Change or Clarification of Law~~~~5.17.6 Subsequent Taxable Events~~~~5.17.7 Contests~~~~5.17.8 Refund~~~~5.17.9 Taxes Other Than Income Taxes~~

5.18 Tax Status

5.19 Modification

5.19.1 General

5.19.2 Standards

5.19.3 Modification Costs

Article 6. Testing and Inspection

6.1 Pre-Commercial Operation Date Testing and Modifications

6.2 Post-Commercial Operation Date Testing and Modifications

6.3 Right to Observe Testing

6.4 Right to Inspect

Article 7. Metering

7.1 General

7.2 Check Meters

7.3 Standards

7.4 Testing of Metering Equipment

7.5 Metering Data

Article 8. Communications

8.1 Interconnection Customer Obligations

8.2 Remote Terminal Unit

8.3 No Annexation

8.4 Provision of Data from a Variable Energy Resource

Article 9. Operations

10.2	Interconnection Customer Obligations
10.3	Coordination
10.4	Secondary Systems
10.5	Operating and Maintenance Expenses
Article 11.	Performance Obligation
11.1	Interconnection Customer Interconnection Facilities
11.2	Generating Facility
11.3	Transmission Owner's Interconnection Facilities
11.4	Network Upgrades and Distribution Upgrades
11.5	Transmission Credits
11.5.1	Credits for Amounts Advanced for Network Upgrades
11.5.2	Special Provisions for Affected Systems
11.6	Initial Payment
11.7	Provision of Security
11.8	Advance Payment
11.9	Interconnection Customer Compensation
11.8.1 11.9.1	Interconnection Customer Compensation for Actions During Emergency Condition
Article 12.	Invoice
12.1	General
12.2	Final Invoice
12.3	Payment
12.4	Disputes
Article 13.	Emergencies
13.1	Definition
13.2	Obligations
13.3	Notice
13.4	Immediate Action
13.5	Transmission Provider and Transmission Owner Authority

- 13.5.1 General
- 13.5.2 Reduction and Disconnection
- 13.6 Interconnection Customer Authority
- 13.7 Limited Liability
- Article 14. Regulatory Requirements and Governing Law
 - 14.1 Regulatory Requirements
 - 14.2 Governing Law
- Article 15. Notices
 - 15.1 General
 - 15.2 Billings and Payments
 - 15.3 Alternative Forms of Notice
 - 15.4 Operations and Maintenance Notice
- Article 16. Force Majeure
 - 16.1 Force Majeure
- Article 17. Default
 - 17.1 Default
 - 17.1.1 General
 - 17.1.2 Right to Terminate
- Article 18. Indemnity, Consequential Damages and Insurance
 - 18.1 Indemnity
 - 18.1.1 Indemnified Person
 - 18.1.2 Indemnifying Party
 - 18.1.3 Indemnity Procedures
 - 18.2 Consequential Damages
 - 18.3 [Interconnection Customer Insurance](#)
 - [18.4 Transmission Owner Insurance](#)
- Article 19. Assignment
 - 19.1 Assignment

GENERATOR INTERCONNECTION AGREEMENT**THIS GENERATOR INTERCONNECTION AGREEMENT**

("Agreement") is made and entered into this ____ day of _____ 20__, by and among _____, a _____ organized and existing under the laws of the State/Commonwealth of _____ ("Interconnection Customer" with a Generating Facility), Southwest Power Pool, Inc., a corporation organized and existing under the laws of the State of Arkansas ("Transmission Provider") and _____, ~~a~~ Western Area Power Administration-Upper Great Plains Region ("Western-UGP"), a Federal power marketing agency organized ~~and existing~~ under the ~~laws of the State/Commonwealth of~~ United States Department of Energy ("Transmission Owner"). Interconnection Customer, Transmission Provider and Transmission Owner each may be referred to as a "Party" or collectively as the "Parties."

Recitals

WHEREAS, Transmission Provider functionally controls the operation of 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 C to this Agreement; and,

WHEREAS, Transmission Owner owns facilities to which the Generating Facility is to be interconnected and may be constructing facilities to allow the interconnection; and,

WHEREAS, Interconnection Customer, Transmission Provider and Transmission Owner have agreed to enter into this Agreement 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:

When used in this Generator Interconnection Agreement, terms with initial capitalization that are not defined in Article 1 shall have the meanings specified in the Article in which they are used or the Open Access Transmission Tariff (Tariff).

Distribution System shall mean the Transmission Owner's facilities and equipment that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.

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 transmission 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 the Generator Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of Transmission Provider, 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 or the electric systems of others to which the Transmission System is directly connected; or (3) that, in the case of 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 Transmission Owner's Interconnection Facilities ;or (4) 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 black start shall be considered Emergency Conditions; provided, that Interconnection Customer is not obligated by the Generator Interconnection Agreement to possess black start capability.

Energy Resource Interconnection Service shall mean an Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself 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.

Environmental Review shall mean a study conducted by the Transmission Owner that contains a review of the proposed interconnection to the Transmission Owner's transmission facilities, pursuant to the National Environmental Policy Act

(NEPA), 42 U.S.C. §4321, et seq., as amended, and setting forth Interconnection Customer's responsibilities in connection with such review of the interconnection.

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 (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 acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Interconnection Customer's device 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 applicable to an Interconnection Request pertaining to a Generating Facility that is included in the Transmission Provider's Tariff.

Generator Interconnection Procedures (GIP) shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Generating Facility that are included in the Transmission Provider's Tariff.

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

under the Tariff. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from the Transmission Provider.

Transmission Owner's Interconnection Facilities shall mean all facilities and equipment owned, controlled or operated by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Generator Interconnection Agreement, 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 Stand Alone Network Upgrades or Network Upgrades.

Transmission System shall mean the facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide transmission 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.

Variable Energy Resource shall mean a device for the production of electricity that is characterized by an energy source that: (1) is renewable; (2) cannot be stored by the facility owner or operator; and (3) has variability that is beyond the control of the facility owner or operator.

Western Area Power Administration-Upper Great Plains Region ("Western-UGP") shall mean a division of the Western Area Power Administration, a Federal power marketing agency, and Transmission Owner, that markets and transmits Federal power over Federal transmission facilities that have been transferred to the functional control of the Transmission Provider.

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 ten (10) years from the Effective Date or such other longer period as Interconnection Customer may request (Term to be specified in individual agreements) and shall be automatically renewed for each successive one-year period thereafter.

Notwithstanding this Article 2.2 or 2.3, the maximum effective period of this GIA shall be forty (40) years from the Effective Date. Five years prior to termination,

Interconnection Customer shall provide written notice of its intention to extend the GIA. Upon receiving such notice, Transmission Provider and Transmission Owner shall enter into good faith discussions regarding an extension of the GIA at Interconnection Customer's request.

2.3 Termination Procedures.

2.3.1 Written Notice. This GIA may be terminated by Interconnection Customer after giving Transmission Provider and Transmission Owner ninety (90) Calendar Days advance written notice, or by Transmission Provider notifying FERC after the Generating Facility permanently ceases Commercial Operation.

2.3.2 If the Generating Facility fails to achieve Commercial Operation for three (3) consecutive years following the Commercial Operation Date, this GIA may be terminated by the Transmission Provider after giving the Interconnection Customer ninety (90) Calendar Days advance written notice. Where a portion of the Generating Facility fails to achieve Commercial Operation for three (3) consecutive years following the Commercial Operation Date, the Transmission Provider shall issue a revised GIA to reflect the amount of the Generating Facility Capacity that achieved Commercial Operation. The revised GIA shall be consistent with the GIP in effect on the Effective Date of the GIA.

2.3.3 Default. Any Party may terminate this GIA in accordance with Article 17.

2.3.4 Notwithstanding Articles 2.3.1, 2.3.2 and 2.3.3, 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, which notice has been accepted for filing by FERC.

2.4 Termination Costs. If a Party elects to terminate this Agreement pursuant to Article 2.3 above, Interconnection Customer and Transmission Owner shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment) or charges assessed by any other Party, as of the date of such Party's receipt of such notice of termination, that are the responsibility of the Terminating Party under this GIA. In the event of termination by any Party, all 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 Transmission Owner's Interconnection Facilities that have not yet been constructed or installed, Transmission Owner shall to the extent possible and with Interconnection Customer's

Interconnection Customer's Generating Facility shall be subject to the applicable congestion management procedures in Transmission Provider's 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 Interconnection Customer's Generating Facility be designated as a Network Resource by a Network Service Customer under the Tariff or that 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 Transmission Provider's Tariff.

Once an Interconnection Customer satisfies the requirements for obtaining Network Resource 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 or not such Generating Facility is ever designated by a Network Customer as a Network Resource and regardless of changes in ownership of the Generating Facility. However, the reduction or elimination of congestion or redispatch costs may require additional studies and the construction of additional upgrades.

To the extent 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 Transmission Provider to grant such request.

- 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, and to the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this GIA for its compliance therewith. If such Party is a Transmission Provider or Transmission Owner, then that Party shall amend the GIA and [Transmission Provider shall](#) submit the amendment to FERC 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 Transmission Provider's 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 13.5.1. Interconnection Customer shall be paid for such services in accordance with Article ~~11.8~~[11.9](#).

Article 5. Interconnection Facilities Engineering, Procurement, and Construction

- 5.1 Options.** Unless otherwise mutually agreed to between the Parties, Interconnection Customer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date; and either the Option To Build as described under Article 5.1.2 or the Negotiated Option described under Article 5.1.3 if the Interconnection Customer and the Transmission Owner cannot reach agreement under the Standard Option described under Article 5.1.1, for completion of Transmission Owner's Interconnection Facilities and Network Upgrades as set forth in Appendix A, Interconnection Facilities and Network Upgrades, and such dates and selected option, as applicable, shall be set forth in Appendix B, Milestones.

5.1.1 Standard Option. Transmission Owner shall design, procure, and construct Transmission Owner's Interconnection Facilities and Network Upgrades, using Reasonable Efforts to complete Transmission Owner's Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B, Milestones. 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, and Applicable Laws and Regulations. In the event Transmission Owner reasonably expects that it will not be able to complete Transmission Owner's Interconnection Facilities, and Network Upgrades by the specified dates, Transmission Owner shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Option to Build. If the dates designated by Interconnection Customer are not acceptable to Transmission Owner, Transmission Owner shall so notify 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 on the dates specified in Article 5.1.1. Transmission Owner and Interconnection Customer 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.

5.1.3 Negotiated Option. If Interconnection Customer elects not to exercise its option under Article 5.1.2, 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 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 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 Transmission Owner's Interconnection Facilities and Network Upgrades pursuant to 5.1.1, Standard Option.

5.2 General Conditions Applicable to Option to Build. If Interconnection Customer assumes responsibility for the design, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades,

- (1) Interconnection Customer shall engineer, procure equipment, and construct 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 Transmission Owner;
- (2) Interconnection Customer's engineering, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades shall comply with all requirements of law to which Transmission Provider would be subject in the engineering, procurement or construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (3) Transmission Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (4) Prior to commencement of construction, Interconnection Customer shall provide to Transmission Provider and Transmission Owner a schedule for construction of Transmission Provider'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 Owner shall have the right to gain unrestricted access to Transmission Owner'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 Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Transmission Owner, Interconnection Customer shall be obligated to remedy deficiencies in that portion of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (7) Interconnection Customer shall indemnify Transmission Provider and Transmission Owner for claims arising from 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 Transmission Provider;
- (9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Transmission Owner's Interconnection Facilities and Stand-Alone Network Upgrades to Transmission Owner not later than the Commercial Operation Date;
- (10) Transmission Owner shall approve and accept for operation and maintenance Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and
- (11) Interconnection Customer shall deliver to Transmission Owner "as-built" drawings, information, and any other documents that are reasonably required by Transmission Owner to assure that the Interconnection Facilities and Stand- Alone Network Upgrades are built to the standards and specifications required by Transmission Provider.

5.3 Reserved. Liquidated Damages. ~~The actual damages to Interconnection Customer, in the event Transmission Owner's Interconnection Facilities or Network Upgrades are not completed by the dates designated by Interconnection Customer and accepted by Transmission Owner pursuant to subparagraph 5.1.3, 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 Transmission Owner to Interconnection Customer in the event that Transmission Owner does not complete any portion of Transmission Owner's Interconnection Facilities or Network Upgrades by the applicable dates, shall be an amount equal to 1/2 of 1 percent per day of the actual cost of 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 Transmission Owner's Interconnection Facilities and Network Upgrades for which Transmission Owner has assumed responsibility to design, procure, and construct. The foregoing payments will be made by Transmission Owner to Interconnection Customer as just compensation for the damages caused to 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 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 Interconnection Customer would have been able to commence use of 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) Transmission Owner's failure to meet the specified dates is the result of the action or inaction of Interconnection Customer or any other Interconnection Customer who has entered into a GIA with Transmission Owner 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 Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades; or (4) 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 reserves 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 not capable of automatic operation, Interconnection Customer shall immediately notify Transmission Owner's system operator, or its designated representative. The requirements of this paragraph shall not apply to wind generators.

5.5 Equipment Procurement. If responsibility for construction of Transmission Owner's Interconnection Facilities or Network Upgrades is to be borne by Transmission Owner, then Transmission Owner shall commence design of Transmission Owner's Interconnection Facilities or Network 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 Transmission Provider has completed the Interconnection Facilities Study pursuant to the Interconnection Facilities Study Agreement;

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

5.5.3 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.7 [and advance payment to Transmission Owner in accordance with Article 11.8](#) by the dates specified in Appendix B, Milestones.

5.6 Construction Commencement. Transmission Owner shall commence construction of Transmission Owner's Interconnection Facilities and Network 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 Transmission Owner's Interconnection Facilities and Network Upgrades;

5.6.3 Transmission Owner has received written authorization to proceed with construction from Interconnection Customer by the date specified in Appendix B, Milestones; and

5.6.4 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.7 [and advance payment to Transmission Owner in accordance with Article 11.8](#) by the dates specified in Appendix B, Milestones.

5.7 Work Progress. The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Parties may, at any time, request a progress report from other Parties. If, at any time, Interconnection Customer determines that the completion of Transmission Owner's Interconnection Facilities and Network Upgrades will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Transmission Provider and Transmission Owner of such later

Transmission Owner will obtain control of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades upon completion of such facilities.

- 5.12 Access Rights.** Upon reasonable notice and supervision by a Party, and subject to any required or necessary regulatory approvals, a Party ("Granting Party") shall furnish at no cost to any 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 Transmission Owner's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Transmission Owner, 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, and to the extent consistent with Federal or state law, as applicable, 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 Transmission Owner's Interconnection Facilities and/or Network 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 Provider or Transmission Owner shall provide permitting assistance to Interconnection Customer comparable to that provided to Transmission Provider's own, or an Affiliate's generation.
- 5.15 Early Construction of Base Case Facilities.** 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 required for Interconnection Customer to be interconnected to the Transmission System which are included in the Base Case of the Facilities Study for Interconnection Customer, and which also are required to be constructed for another

the cost or timing of any Interconnection Request with an equal or later Queue priority date (Material Modification); or

- iii. Transmission Owner or Transmission Provider determines that a Force Majeure event prevents construction of a Network Upgrade.

5.17 ~~Taxes~~Reserved.

~~**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 Transmission Owner's Interconnection Facilities and the Network 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.~~

~~**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 Transmission Owner for 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 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. Transmission Owner represents and covenants that the cost of 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 Imposed Upon the Transmission Owner.** Notwithstanding Article 5.17.1, Interconnection Customer shall protect, indemnify and hold harmless Transmission Owner from the cost consequences of any current~~

~~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 of 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 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, and Network 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 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 covenants 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 and Network Upgrades, 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 may 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 amount 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 FERC's regulations at 18 CFR §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 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 Transmission Owner's Interconnection Facilities.~~

~~The intent of this provision is to leave the 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 may 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. All Parties shall cooperate with each other to maintain their 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. Each 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 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 Owner 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 System, Transmission Owner's Interconnection Facilities or Network Upgrades necessitated by such Interconnection Customer modification and a good faith estimate of the costs thereof.

7.4 Testing of Metering Equipment. Transmission Owner shall inspect and test all Transmission Owner-owned Metering Equipment ~~upon installation and at least once every two (2) years thereafter~~ in accordance with Transmission Owner's meter testing policies. If requested to do so by Interconnection Customer, Transmission Owner shall, at Interconnection Customer's expense, inspect or test Metering Equipment more frequently than ~~every two (2) years~~ the periods set forth in the Transmission Owner's meter testing policies. Transmission Owner shall give reasonable notice of the time when any inspection or test shall take place, and Interconnection Customer 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 Transmission Owner's failure to maintain, then Transmission Owner 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 from the measurement made by the standard meter used in the test, Transmission Owner 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 last 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 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 Owner's Transmission System dispatcher or representative designated by Transmission Owner. 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 Owner 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 Owner. Any required maintenance of such communications equipment shall be performed by Interconnection Customer. Operational communications shall be activated and maintained under, but not be limited to, the following events:

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 Owner'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 System or trip any generating unit comprising the Generating Facility for an under or over frequency condition in accordance with Good Utility Practice and Applicable Reliability Standards.

9.6.3 Payment for Reactive Power. Transmission Provider is required to pay Interconnection Customer for reactive power that Interconnection Customer provides or absorbs from the Generating Facility when Transmission Owner requests Interconnection Customer to operate its Generating Facility outside the range specified in Article 9.6.1. Payments shall be pursuant to Article ~~11.8~~11.9 or such other agreement to which the Parties have otherwise agreed; provided however, to the extent the Tariff contains a provision providing for such compensation, that Tariff provision shall control.

9.7 Outages and Interruptions.

9.7.1 Outages.

9.7.1.1 Outage Authority and Coordination. Each Party may in accordance with Good Utility Practice in coordination with the other Party remove from service any of its respective Interconnection Facilities or Network 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 schedule such removal on a date and time mutually acceptable to all 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. Transmission Provider shall post scheduled outages of its transmission facilities on the OASIS. Interconnection Customer shall submit its planned maintenance schedules for the Generating Facility to Transmission Provider for a minimum of a rolling twenty-four month period. Interconnection

obtain transmission credits for transmission service that is not associated with the Generating Facility.

11.6 Initial Payment.

Interconnection Customer shall make an initial payment ("Initial Payment") equal to the greater of a) twenty (20) percent of the total cost of Network Upgrades, Shared Network Upgrades, Transmission Owner Interconnection Facilities and/or Distribution Upgrades listed in Appendix A or b) \$4,000/MW of the size of the Generating Facility. Any remaining milestone deposits provided in Section 8.2 and Section 8.9 of the GIP will be applied to this requirement. The Initial Payment shall be provided to Transmission Owner or Transmission Provider as required in Appendix B by Interconnection Customer pursuant to this Article 11.6 within the later of a) thirty (30) days of the execution of the GIA by all Parties, or b) thirty (30) days of acceptance by FERC if the GIA is filed unexecuted and the payment is being protested by Interconnection Customer, or c) thirty (30) days of the filing if the GIA is filed unexecuted and the Initial Payment is not being protested by Interconnection Customer. If this GIA is terminated, then the Initial Payment shall be refunded with accrued interest, if any, to the Interconnection Customer less:

- a. any costs that have been incurred for the construction of the facilities specified in Appendix A;
- b. any funds necessary for the construction of those Shared Network Upgrades, or Network Upgrades, that would be assigned to another interconnection customer where such upgrade costs would not have been assigned but for the termination of the GIA; and
- c. any costs that have been incurred for the construction of those Shared Network Upgrades, or Network Upgrades, that are no longer required due to the termination of the GIA that were paid for by another interconnection customer.

11.7 Provision of Security. ~~At~~ Payments for any upgrades installed by the Transmission Owner will be addressed in accordance with Article 11.8 of this GIA. For Network Upgrades and Distribution Upgrades that are not installed by the Transmission Owner, at least thirty (30) Calendar Days prior to the commencement of the procurement, installation, or construction of a discrete portion of ~~Interconnection Facilities~~, Network Upgrades, or Distribution Upgrades as defined in Appendix A of this GIA, Interconnection Customer shall provide Transmission Provider, at Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Transmission Provider 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 costs for constructing, procuring and installing the applicable portion of ~~Interconnection Facilities~~, Network Upgrades, or

Distribution Upgrades as defined in Appendix A of this GIA and shall be reduced on a dollar-for-dollar basis for payments made to Transmission Provider ~~or Transmission Owner~~ for these purposes. If Interconnection Customer requests suspension pursuant to Article 5.16, Interconnection Customer may be required to provide Transmission Provider security in the form described above for its allocated share of Network Upgrade(s) costs as calculated pursuant to Section 4.2.5 of the GIP and defined in Appendix A of this GIA.

In addition:

- 11.7.1** The guarantee must be made by an entity that meets the creditworthiness requirements of Transmission Provider, 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.
- 11.7.2** The letter of credit must be issued by a financial institution reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.
- 11.7.3** The surety bond must be issued by an insurer reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.8 Advance Payment.

11.8.1 For Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades constructed by Transmission Owner, Interconnection Customer shall be required to pay Transmission Owner for all actual costs incurred by Transmission Owner for the procurement, installation, or construction of a discrete portion of a Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and shall pay Transmission Owner, in advance, for all work to be conducted by the Transmission Owner, under the terms and conditions set forth in this GIA. Such advance payments shall be considered estimated costs for project planning, management, design, engineering, land purchase, environmental investigations, procurement, construction, inspection and commissioning activities for which such advance payments are then due. The funds shall be deposited by Interconnection Customer according to the instructions on individual invoices from Transmission Owner, which shall be delivered by Transmission Owner to Interconnection Customer at least ten (10) Business Days prior to the date of such payment being due. Transmission Owner shall not provide any labor, equipment, materials, parts, travel, or incur incidental costs associated with tasks described above, or commence any other work until applicable advance payment(s) is/are received in full.

11.8.2 Interconnection Customer shall not be required to make any subsequent payment to the Transmission Owner in the event tasks relating to the prior payment have not been substantially completed.

11.8.3 Transmission Owner shall keep detailed records for actual costs incurred.

Interconnection Customer shall be entitled, during normal business hours and at its own expense, to review such records and supporting documentation. If, during procurement, installation, or construction of a discrete portion of a Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, or upon close-out of any phase of such activities, costs by Transmission Owner are expected to exceed the sum of payments made by Interconnection Customer, Transmission Owner will inform Interconnection Customer of the additional expenses and provide a written revision to the estimate, together with an invoice for the amount due. Interconnection Customer shall then promptly pay Transmission Owner in full and without interest for the billed amount. If, upon completion of the procurement, installation, or construction of a discrete portion of Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, costs incurred by Transmission Owner are less than the sum of payment(s) made to Transmission Owner by Interconnection Customer, Transmission Owner shall refund the difference, unless such payments are otherwise non-refundable pursuant to Section 11.6 (Initial Payment), without interest, as soon as the necessary vouchers may be prepared.

11.9 Interconnection Customer Compensation. If Transmission Provider or Transmission Owner requests or directs Interconnection Customer to provide a service pursuant to Articles 9.6.3 (Payment for Reactive Power), or 13.5.1 of this GIA, Transmission Provider shall compensate Interconnection Customer in accordance with Interconnection Customer's applicable rate schedule then in effect unless the provision of such service(s) is subject to the Tariff. Interconnection Customer shall serve Transmission Provider with any filing of a proposed rate schedule at the time of such filing with FERC. To the extent that no rate schedule is in effect at the time the Interconnection Customer is required to provide or absorb any Reactive Power under this GIA, Transmission Provider agrees to compensate Interconnection Customer in such amount as would have been due Interconnection Customer had the rate schedule been in effect at the time service commenced; provided, however, that such rate schedule must be filed at FERC or other appropriate Governmental Authority within sixty (60) Calendar Days of the commencement of service.

~~11.8.1~~11.9.1 Interconnection Customer Compensation for Actions During Emergency Condition. Transmission Provider shall compensate

Interconnection Customer for its provision of real and reactive power and other Emergency Condition services that Interconnection Customer provides to support the Transmission System during an Emergency Condition in accordance with Article ~~11.8~~11.9.

Article 12. Invoice

The terms of this Article 12 apply to billing between the Parties for construction and operation and maintenance charges. All other billing will be handled according to the Tariff.

12.1 General. Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due 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 Interconnection Facilities and the Network Upgrades, the Interconnection Customer shall receive an invoice of the final cost due under this GIA, including any applicable cost due to termination, which 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. Interconnection Customer shall receive a refund of 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 either Party will not constitute a waiver of any rights or claims either Party may have under this GIA.

12.4 Disputes. In the event of a billing dispute between the Parties, Transmission Owner, and 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 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 Owner may 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 the other Party shall pay the amount due with ~~interest calculated in accord with the methodology set forth in FERC's regulations at 18 C.F.R. § 35.19a(a)(2)(iii);~~ the accrued interest, if any.

Article 13. Emergencies

- 13.1 Definition.** “Emergency Condition” shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, 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, or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of 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, Transmission Owner's Interconnection Facilities; or (4) 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 black start shall be considered Emergency Conditions; provided that Interconnection Customer is not obligated by the Generator Interconnection Agreement to possess black start capability.
- 13.2 Obligations.** Each Party shall comply with the Emergency Condition procedures of NERC, the Applicable Reliability Council, Transmission Provider, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.
- 13.3 Notice.** Transmission Provider or Transmission Owner shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Owner's Interconnection Facilities or the Transmission System that may reasonably be expected to affect Interconnection Customer's operation of the Generating Facility or Interconnection Customer's Interconnection Facilities. Interconnection Customer shall notify Transmission Provider and Transmission Owner promptly when it becomes aware of an Emergency Condition that affects the Generating Facility or Interconnection Customer's Interconnection Facilities that may reasonably be expected to affect the Transmission System or 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 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.

Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider and/or Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Interconnection Customer, Transmission Provider and/or Transmission Owner. 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.

13.6 Interconnection Customer Authority. Consistent with Good Utility Practice and the GIA and the GIP, Interconnection Customer may take actions or inactions with regard to the Generating Facility or 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 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 Transmission Owner's Interconnection Facilities. Transmission Provider and/or Transmission Owner shall use Reasonable Efforts to assist Interconnection Customer in such actions.

13.7 Limited Liability. Except as otherwise provided in Article ~~11.8.1~~11.9.1 of this GIA, no Party shall be liable to the other Parties 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.

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 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, or the Public Utility Regulatory Policies Act of 1978 as amended by the 2005 Energy Policy Act.

14.2 Governing Law.

14.2.1 The validity, interpretation and performance of this GIA and each of its provisions shall be governed by Federal law or by the laws of the state

where the Point of Interconnection is located, ~~without regard to its conflicts of law principles~~. as applicable.

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 another and any instrument required or permitted to be tendered or delivered by any Party in writing to another 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.

Any 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 another and not required by this Agreement 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 No Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 4), 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 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 due diligence 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 shall give written notice of such Breach to the breaching Party. Except as provided in Article 17.1.2, the breaching Party shall have thirty (30) Calendar Days from receipt of the Default 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 Default 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 shall have the right to declare a Default and terminate this GIA by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this GIA, to recover from the breaching Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this GIA.

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Parties harmless from, 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 Parties' action or inactions 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. Notwithstanding the provisions of this Article 18, the liability of the Transmission Owner shall be limited to and determined in accordance with the Federal Tort Claims Act, 28. U.S.C. § 1346(c), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.

18.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 18 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 18.1, to assume the defense of such claim, such indemnified person 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.

18.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 18, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

18.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 18.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

18.2 Consequential Damages. ~~Other than the Liquidated Damages heretofore described, in~~ In no event shall any Party be liable to any other Party 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 any Party may be liable to another Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Interconnection Customer Insurance. ~~Interconnection Customer and Transmission Owner~~ shall at ~~their~~ its own expense, maintain in force throughout the period of this GIA, and until released by all other Parties, the following minimum insurance coverages, with insurers authorized to do business in the state where the Point of Interconnection is located:

18.3.1 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. The minimum limits for the Employers' Liability insurance shall be One Million Dollars (\$1,000,000) each accident bodily injury by accident, One Million Dollars (\$1,000,000) each employee bodily injury by disease, and One Million Dollars (\$1,000,000) policy limit bodily injury by disease.

18.3.2 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 (if applicable), independent contractors coverage, coverage for pollution (if exposure is present) and punitive or exemplary damages, with minimum limits of One Million Dollars (\$1,000,000) each occurrence/Two Million Dollars (\$2,000,000) general aggregate and Two Million Dollars (\$2,000,000) products and completed operations aggregate combined single limit for personal injury, bodily injury, including death and property damage.

- 18.3.3** Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage.
- 18.3.4** Excess Liability Insurance over and above the Employers' Liability Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) each occurrence/Twenty Million Dollars (\$20,000,000) general aggregate.
- 18.3.5** The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other Party, its parent, 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 Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.
- 18.3.6** The Commercial General Liability Insurance, 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.
- 18.3.7** 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 to by all Parties.
- 18.3.8** The requirements contained herein as to the types and limits of all insurance to be maintained by the Interconnection Customer ~~and Transmission Owner~~ are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this Agreement.

18.3.9 Within ten (10) days following execution of this GIA, 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 certification of all insurance required in this GIA, executed by each insurer or by an authorized representative of each insurer to the Other Party Group.

18.3.10 Notwithstanding the foregoing, ~~each Party~~ Interconnection Customer may self-insure to meet the minimum insurance requirements of Articles 18.3.2 through 18.3.8 to the extent it maintains a self-insurance program; provided that, such ~~Party~~ Interconnection Customer's senior secured debt is rated at investment grade or better by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 18.3.2 through 18.3.8. For any period of time that ~~a Party~~ an Interconnection Customer's senior secured debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such ~~Party~~ Interconnection Customer shall comply with the insurance requirements applicable to it under Articles 18.3.2 through 18.3.9. In the event that ~~a Party~~ Interconnection Customer 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 18.3.9.

18.3.11 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.

18.4 Transmission Owner Insurance. Transmission Owner is self-insured in accordance with its status as a Federal agency.

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 any Party may assign this GIA without the consent of the other Parties~~ to any Affiliate of the assigning Party, ~~or other third party,~~ with an ~~equal or greater~~ acceptable 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,~~ Interconnection Customer shall have the right to assign this GIA, ~~without~~ with the written consent of Transmission Provider ~~or~~ and Transmission Owner, for collateral security purposes to aid in providing financing for the Generating Facility, ~~provided that Interconnection Customer will promptly notify Transmission Provider and Transmission Owner 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 Transmission Provider and Transmission Owner of the date and particulars of any such exercise of assignment right(s), including providing the Transmission Provider with proof that it meets the requirements of Articles 11.7 and 18.3. 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~~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 Interconnection Customer (or any third party, but only if such third party is not acting at the direction of Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Negotiated Option (Article 5.1.3), 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, 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 any of the Parties to another 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.

If requested by any Party, a Party shall provide in writing, the basis for asserting that the information referred to in this Article 22 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.

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 Governmental Authority or entity with the right, power, and apparent authority to do so requests or requires a Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of 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 other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.

22.1.9 Remedies. ~~In the instance where Transmission Owner is a Federal Power Agency, as specified in the opening paragraph of this Agreement, then this~~This Section 22.1.9 shall not apply to the Transmission Owner. 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 other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this 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 C.F.R. Section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to 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 C.F.R. Section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying another Party to this GIA prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Parties to the 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 C.F.R. Section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, if consistent with the applicable [Federal and](#) state [laws](#), rules and regulations.

22.1.11 Subject to the exception in Article 22.1.10, any information that a Party claims is competitively sensitive, commercial or financial information under this GIA ("Confidential Information") shall not be disclosed by another Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this GIA or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

22.1.12 This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a Breach of this provision).

Article 23. Environmental Releases

23.1 Each Party shall notify the other Party, 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 the other 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 Party copies of any publicly available reports filed with any Governmental Authorities addressing such events.

23.2 Each Party shall remedy as soon as practicable all releases of Hazardous Substances brought to, or created at, real property it owns underlying the Generating Facility or Interconnection Facilities, and any such substances migrating from real property it owns at the Generating Facility site. The Party that caused the release shall bear the costs of the remedial action, which shall meet applicable Federal and state environmental standards at the time of the action. Such costs may include, but are not limited to, Federal and state supervision, remedial action plans, removal and remedial actions, and negotiation of voluntary and judicial agreements required to meet such environmental standards.

23.3 The Parties agree to comply fully with the substantive requirements of all applicable Federal, state and local environmental laws in the performance of their obligations hereunder, and to mitigate and abate adverse environmental impacts accordingly.

Article 24. Information Requirements

24.1 Information Acquisition. Transmission Provider and 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. The initial information submission by Transmission Provider shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Transmission System information necessary to allow Interconnection Customer to select equipment and meet any system protection and stability requirements, unless otherwise agreed to by the Parties. On a monthly basis Transmission Provider shall provide Interconnection Customer a status report on the construction and

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 [Federal laws or](#) 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. Joint Operating Committee

29.1 Joint Operating Committee. At least six (6) months prior to the expected Initial Synchronization Date, Interconnection Customer, Transmission Owner and Transmission Provider shall each appoint one representative and one alternate to the Joint Operating Committee. Each Party shall notify the other Parties of its appointment in writing. Such appointments may be changed at any time by similar notice. The Joint Operating Committee shall meet as necessary, but not less than once each calendar year, to carry out the duties set forth herein. 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, and also incorporating through reference Section 39.3 of the Tariff as if it were a part hereof, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this GIA. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, a 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 a 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 Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from 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 three 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 each 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 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 by another Party 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 the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.

APPENDIX A TO GIA**Interconnection Facilities, Network Upgrades and Distribution Upgrades****1. Interconnection Facilities:**

(a) [insert Interconnection Customer's Interconnection Facilities]:

(b) [insert Transmission Provider's Interconnection Facilities]:

2. Network Upgrades:

(a) [insert Stand Alone Network Upgrades]:

(b) [insert Shared Network Upgrades]:

(c) [insert Previous Network Upgrades]:

3. Distribution Upgrades:**4. Interconnection Service:**

Interconnection Customer has requested the following (from Appendix 1 of the GIP):

_____ **Energy Resource Interconnection Service**_____ **Network Resource Interconnection Service****5. Construction Option Selected by Customer****6. Permits, Licenses, and Authorizations****7. Description of the Point of Change of Ownership****8. Description of the Point of Interconnection****9. Higher-Queued Interconnection Customers****10. Environmental Requirements**

This GIA is subject to completion of the appropriate National Environmental Policy Act (NEPA) level of Environmental Review. **Until a NEPA decision document is issued, no construction activities relating to Transmission Owner's Interconnection Facilities and/or Network Upgrades may commence.**

(a) [Insert Environmental Requirements for an Environmental Impact Statement (EIS) level of Environmental Review]

(b) [Insert Environmental Requirements for an Environmental Assessment (EA) level of Environmental Review]

APPENDIX D TO GIA

Security Arrangements Details

Infrastructure security of Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day Transmission System reliability and operational security. FERC will expect all Transmission Providers, market participants, and Interconnection Customers interconnected to the Transmission System to comply with the recommendations offered by the ~~President's Critical~~National Infrastructure Protection Board Advisory Council and, eventually, 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.

Exhibit No. SPP-18

Illustrative Exhibit Showing Differences in Attachment V Appendix 14 – Western-UGP’s Interim GIA versus SPP’s *Proforma* Interim GIA

APPENDIX [814](#) TO THE GENERATOR INTERCONNECTION PROCEDURES
INTERIM GENERATOR INTERCONNECTION AGREEMENT (INTERIM GIA)
(For use when Western-UGP is a Party to the Interim GIA, as the Transmission Owner)

Article 5. Interconnection Facilities Engineering, Procurement, and Construction

5.1 Options

5.1.1 Standard Option

5.1.2 Option to Build

5.1.3 Negotiated Option

5.2 General Conditions Applicable to Option to Build

5.3 ~~Liquidated Damages~~Reserved

5.4 Power System Stabilizers

5.5 Equipment Procurement

5.6 Construction Commencement

5.7 Work Progress

5.8 Information Exchange

5.9 Reserved

5.10 Interconnection Customer's Interconnection Facilities ('ICIF')

5.10.1 Interconnection Customer's Interconnection Facility Specifications

5.10.2 Transmission Owner's Review

5.10.3 ICIF Construction

5.10.4 Updated Information Submission by Interconnection Customer

5.10.5 Information Supplementation

5.11 Transmission Owner's Interconnection Facilities Construction

5.12 Access Rights

5.13 Lands of Other Property Owners

5.14 Permits

5.15 Early Construction of Base Case Facilities

5.16 Reserved

5.17 ~~Taxes~~Reserved

~~5.17.1 Interconnection Customer Payments Not Taxable~~

~~5.17.2 Representations and Covenants~~

~~5.17.3 Indemnification for the Cost Consequences of Current Tax
Liability Imposed Upon the Transmission Owner~~

~~5.17.4 Tax Gross Up Amount~~

~~5.17.5 Private Letter Ruling or Change or Clarification of Law~~

~~5.17.6 Subsequent Taxable Events~~

~~5.17.7 Contests~~

~~5.17.8 Refund~~

~~5.17.9 Taxes Other Than Income Taxes~~

5.18 Tax Status

5.19 Modification

5.19.1 General

5.19.2 Standards

5.19.3 Modification Costs

Article 6. Testing and Inspection

6.1 Pre-Commercial Operation Date Testing and Modifications

6.2 Post-Commercial Operation Date Testing and Modifications

6.3 Right to Observe Testing

6.4 Right to Inspect

Article 7. Metering

7.1 General

7.2 Check Meters

7.3 Standards

7.4 Testing of Metering Equipment

7.5 Metering Data

Article 8. Communications

8.1 Interconnection Customer Obligations

8.2 Remote Terminal Unit

8.3 No Annexation

Article 9. Operations

- 10.2 Interconnection Customer Obligations
- 10.3 Coordination
- 10.4 Secondary Systems
- 10.5 Operating and Maintenance Expenses
- Article 11. Performance Obligation
 - 11.1 Interconnection Customer Interconnection Facilities
 - 11.2 Reserved
 - 11.3 Transmission Owner's Interconnection Facilities
 - 11.4 Network Upgrades and Distribution Upgrades
 - 11.5 Transmission Credits
 - 11.5.1 Credits for Amounts Advanced for Network Upgrades
 - 11.5.2 Special Provisions for Affected Systems
 - 11.6 Initial Payment
 - 11.7 Provision of Security
 - 11.7.1 Initial Security
 - 11.7.2 Security Adjustment
 - 11.8 [Advance Payment](#)
 - [11.9](#) Interconnection Customer Compensation
 - ~~11.8.1~~[11.9.1](#)..... Interconnection Customer Compensation for Actions During
Emergency Condition
- Article 12. Invoice
 - 12.1 General
 - 12.2 Final Invoice
 - 12.3 Payment
 - 12.4 Disputes
- Article 13. Emergencies
 - 13.1 Definition
 - 13.2 Obligations
 - 13.3 Notice

- 13.4 Immediate Action
- 13.5 Transmission Provider and Transmission Owner Authority
 - 13.5.1 General
 - 13.5.2 Reduction and Disconnection
- 13.6 Interconnection Customer Authority
- 13.7 Limited Liability
- Article 14. Regulatory Requirements and Governing Law
 - 14.1 Regulatory Requirements
 - 14.2 Governing Law
- Article 15. Notices
 - 15.1 General
 - 15.2 Billings and Payments
 - 15.3 Alternative Forms of Notice
 - 15.4 Operations and Maintenance Notice
- Article 16. Force Majeure
- Article 17. Default
 - 17.1 Default
 - 17.1.1 General
 - 17.1.2 Right to Terminate
- Article 18. Indemnity, Consequential Damages and Insurance
 - 18.1 Indemnity
 - 18.1.1 Indemnified Person
 - 18.1.2 Indemnifying Party
 - 18.1.3 Indemnity Procedures
 - 18.2 Consequential Damages
 - 18.3 [Interconnection Customer Insurance](#)
 - [18.4 Transmission Owner Insurance](#)
- Article 19. Assignment

INTERIM GENERATOR INTERCONNECTION AGREEMENT**THIS INTERIM GENERATOR INTERCONNECTION AGREEMENT**

("Agreement" or "Interim GIA") is made and entered into this ____ day of _____, by and among _____, a _____ organized and existing under the laws of the State/Commonwealth of _____ ("Interconnection Customer" with a Generating Facility), Southwest Power Pool, Inc., a corporation organized and existing under the laws of the State of Arkansas ("Transmission Provider") and _____, a Western Area Power Administration- Upper Great Plains Region ("Western-UGP"), a Federal power marketing agency organized ~~and existing~~ under the ~~laws of the State/Commonwealth of _____~~ Unites States Department of Energy ("Transmission Owner"). Interconnection Customer, Transmission Provider and Transmission Owner each may be referred to as a "Party" or collectively as the "Parties."

Recitals

WHEREAS, Transmission Provider functionally controls the operation of 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 C to this Agreement; and,

WHEREAS, Transmission Owner owns facilities to which the Generating Facility is to be interconnected and may be constructing facilities to allow the interconnection; and,

WHEREAS, Transmission Provider has posted on its website a Definitive Interconnection System Impact Study that included the Interconnection Customer's Generating Facility and has conducted an additional analysis to determine the availability of Interim Interconnection Service at the time of the Interconnection Customer's requested In-Service Date and Commercial Operation Date with the Transmission System topology and in-service generation expected to be in place at that time; and,

WHEREAS, Interconnection Customer, in accordance with Section 11A.2.1 of the Generator Interconnection Procedures ("GIP"), has provided Transmission Provider with reasonable evidence of Site Control or additional security and with reasonable evidence that one or more of the milestones listed in Section 11A.2.1 has been achieved; and

WHEREAS, Interconnection Customer, Transmission Provider and Transmission Owner have agreed to enter into this Agreement for the purpose of interconnecting the Generating Facility with the Transmission System on an interim basis prior to the completion of the generator interconnection study process set forth in the GIP and execution of a Generator Interconnection Agreement;

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.

Environmental Review shall mean a study conducted by the Transmission Owner that contains a review of the proposed interconnection to the Transmission Owner's transmission facilities, pursuant to the National Environmental Policy Act (NEPA), 42 U.S.C. §4321, et seq., as amended, and setting forth Interconnection Customer's responsibilities in connection with such review of the interconnection.

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 (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 acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Interconnection Customer's device 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 applicable to an Interconnection Request pertaining to a Generating Facility that is included in the Transmission Provider's Tariff.

Generator Interconnection Procedures (GIP) shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Generating Facility that are included in the Transmission Provider's Tariff.

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

Interim Generator Interconnection Agreement, 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 Stand Alone Network Upgrades or Network Upgrades.

Transmission System shall mean the facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide transmission 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.

Western Area Power Administration-Upper Great Plains Region (“Western-UGP”) shall mean a division of the Western Area Power Administration, a Federal power marketing agency, and Transmission Owner, that markets and transmits Federal power over Federal transmission facilities that have been transferred to the functional control of the Transmission Provider.

Article 2. Effective Date, Term, and Termination

2.1 Effective Date. This Interim 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 Interim GIA with FERC upon execution in accordance with Article 3.1, if required.

2.2 Term of Agreement. This Interim GIA shall remain in effect from its Effective Date until the earliest occurrence of one of the termination events described in Article 2.3.1. Notwithstanding this Article 2.2 or 2.3, the maximum effective period of this Interim GIA shall be two (2) years from the Effective Date.

2.3 Termination Procedures.

2.3.1 Termination Events.

2.3.1.1 This Interim GIA may be terminated by Interconnection Customer after giving Transmission Provider and Transmission Owner ninety (90) Calendar Days advance written notice, or by Transmission Provider notifying FERC after the Generating Facility permanently ceases Commercial Operation.

2.3.1.2 This Interim GIA shall terminate upon occurrence of one or more of the following events:

(a) The Effective Date of a GIA regarding the Generating Facility that is the subject of this Interim GIA that has been accepted by FERC and/or reported in Transmission Provider's Electric Quarterly Report;

(b) The date of a FERC order rejecting an unexecuted GIA regarding the Generating Facility that is the subject of this Interim GIA;

(c) The date the Interconnection Customer's Interconnection Request is deemed withdrawn pursuant to the GIP;

(d) The Interconnection Customer's failure to pay part or all of the required security pursuant to Article 11.7; or

(e) The Transmission Provider's determination in accordance with Article 4.2.2, that Interim Interconnection Service to Interconnection Customer and the amount of power that Interconnection Customer is permitted to inject into the Transmission System from its Generating Facility pursuant to this Interim GIA is reduced to zero.

2.3.2 Default. Any Party may terminate this Interim GIA in accordance with Article 17.

2.3.3 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 Interim GIA, which notice has been accepted for filing by FERC.

2.3.4 Upon termination of this Interim GIA for any reason, Interim Interconnection Service under this Interim GIA shall cease and the provisions of Section 11A.5 of the GIP shall apply.

2.4 Termination Costs.

2.4.1 If this Interim GIA is terminated pursuant to Article 2.3.1.2(a), the cost responsibilities of Interconnection Customer and Transmission Owner pursuant to this Interim GIA will be included in the GIA regarding the Generating Facility that is the subject of this Interim GIA to the extent not satisfied during the term of this Interim GIA.

2.4.2 If this Interim GIA is terminated pursuant to Article 2.3 for any reason except as specified 2.3.1.2(a), Interconnection Customer and Transmission Owner shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment), and charges assessed by any other Party, as of the date of such Party's receipt of such notice of termination, that are the responsibility of the Terminating Party under this Interim GIA. In the

event of termination by any Party, all Parties shall use Commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this Interim GIA, ~~unless otherwise ordered or approved by FERC:~~

2.4.2.1 With respect to any portion of Transmission Owner's Interconnection Facilities that have not yet been constructed or installed, Transmission Owner shall to the extent possible and with Interconnection Customer's authorization 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 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 Transmission Owner to cancel any pending orders of or return such materials, equipment, or contracts.

If this Interim GIA is terminated pursuant to Article 2.3 for any reason except as specified in Article 2.3.1.2(a) Interconnection Customer shall be responsible for all costs incurred in association with the Interconnection Customer's interconnection, including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment, and other expenses including any Network Upgrades for which Transmission Owner has incurred expenses and has not been reimbursed by Interconnection Customer and shall forfeit the security paid pursuant to Article 11.5 of this Interim GIA up to the total of the costs and expenses listed in this paragraph.

2.4.2.2 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.

2.4.2.3 With respect to any portion of the Interconnection Facilities, and any other facilities already installed or constructed pursuant to the terms of this Interim GIA, Interconnection Customer shall be responsible for all costs associated with the removal, relocation or

Project and (ii) begins Commercial Operation of the Higher Queued Project during the term of this Interim GIA; and

(b) Transmission Provider at its sole discretion determines that Interim Interconnection Service and/or Interconnection Service cannot be provided simultaneously under this Interim GIA and to such other Interconnection Customer(s) under its Interim GIA(s) or final GIA(s) in an amount commensurate with the maximum amount specified in the respective agreements without additional Interconnection Facilities, Network Upgrades, or Distribution Upgrades.

4.2.3 Any such reduction pursuant to Article 4.2.2 will be based on the Queue Position priority of the Interconnection Customer's Interconnection Request relative to the Queue Position priority of the Higher Queued Projects.

4.3 Performance Standards. Each Party shall perform all of its obligations under this Interim GIA in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice, and to the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this Interim GIA for its compliance therewith. If such Party is a Transmission Provider or Transmission Owner, then that Party shall amend the Interim GIA and [Transmission Provider shall](#) submit the amendment to FERC for approval.

4.4 No Transmission Delivery Service. The execution of this Interim GIA does not constitute a request for, nor the provision of, any transmission delivery service under Transmission Provider's 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 Interim GIA are set forth in Article 9.6 and Article 13.5.1. Interconnection Customer shall be paid for such services in accordance with Article ~~11.8~~[11.9](#).

Article 5. Interconnection Facilities Engineering, Procurement, and Construction

5.1 Options. Unless otherwise mutually agreed to between the Parties, Interconnection Customer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date; and either the Option To Build as described under Article 5.1.2 or the Negotiated Option described under Article 5.1.3 if the Interconnection Customer and the Transmission Owner cannot reach agreement under the Standard Option described under Article 5.1.1, for completion of Transmission Owner's Interconnection Facilities and Network Upgrades as set forth in Appendix A, Interconnection Facilities and Network

Upgrades, and such dates and selected option, as applicable, shall be set forth in Appendix B, Milestones.

5.1.1 Standard Option. Transmission Owner shall design, procure, and construct Transmission Owner's Interconnection Facilities and Network Upgrades, using Reasonable Efforts to complete Transmission Owner's Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B, Milestones. 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, and Applicable Laws and Regulations. In the event Transmission Owner reasonably expects that it will not be able to complete Transmission Owner's Interconnection Facilities, and Network Upgrades by the specified dates, Transmission Owner shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Option to Build. If the dates designated by Interconnection Customer are not acceptable to Transmission Owner, Transmission Owner shall so notify 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 on the dates specified in Article 5.1.1. Transmission Owner and Interconnection Customer 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.

5.1.3 Negotiated Option. If Interconnection Customer elects not to exercise its option under Article 5.1.2, 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 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 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 Transmission Owner's Interconnection Facilities and Network Upgrades pursuant to Article 5.1.1, Standard Option.

- (8) The Interconnection Customer shall transfer control of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to Transmission Provider;
- (9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Transmission Owner's Interconnection Facilities and Stand-Alone Network Upgrades to Transmission Owner not later than the Commercial Operation Date;
- (10) Transmission Owner shall approve and accept for operation and maintenance Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and
- (11) Interconnection Customer shall deliver to Transmission Owner "as-built" drawings, information, and any other documents that are reasonably required by Transmission Owner to assure that the Interconnection Facilities and Stand- Alone Network Upgrades are built to the standards and specifications required by Transmission Provider.

5.3 Reserved. ~~Liquidated Damages.~~ ~~The actual damages to Interconnection Customer, in the event Transmission Owner's Interconnection Facilities or Network Upgrades are not completed by the dates designated by Interconnection Customer and accepted by Transmission Owner pursuant to subparagraph 5.1.3, 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 Transmission Owner to Interconnection Customer in the event that Transmission Owner does not complete any portion of Transmission Owner's Interconnection Facilities or Network Upgrades by the applicable dates, shall be an amount equal to 1/2 of 1 percent per day of the actual cost of 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 Transmission Owner's Interconnection Facilities and Network Upgrades for which Transmission Owner has assumed responsibility to design, procure, and construct. The foregoing payments will be made by Transmission Owner to Interconnection Customer as just compensation for the damages caused to 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 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 Interconnection Customer would have been able to commence use of 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) Transmission Owner's failure to meet the specified dates is the result of the action or inaction of Interconnection Customer or any other Interconnection Customer who has entered into an Interim GIA or GIA with Transmission Owner 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 Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades; or (4) 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 reserves 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 not capable of automatic operation, Interconnection Customer shall immediately notify Transmission Owner's system operator, or its designated representative. The requirements of this paragraph shall not apply to wind generators.

5.5 Equipment Procurement. If responsibility for construction of Transmission Owner's Interconnection Facilities or Network Upgrades is to be borne by Transmission Owner, then Transmission Owner shall commence design of Transmission Owner's Interconnection Facilities or Network 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 Transmission Provider has completed the Interim Availability Interconnection System Impact Study;

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

5.5.3 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.7 [and advance payment to Transmission Owner in accordance with Article 11.8](#) by the dates specified in Appendix B, Milestones; and

5.5.4 The Parties have executed this Interim GIA.

5.6 Construction Commencement. Transmission Owner shall commence construction of Transmission Owner's Interconnection Facilities and Network 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 Transmission Owner's Interconnection Facilities and Network Upgrades;

5.6.3 Transmission Owner has received written authorization to proceed with construction from Interconnection Customer by the date specified in Appendix B, Milestones; and

5.6.4 Interconnection Customer has provided security to Transmission Provider in accordance with Article ~~11.7~~[11.7](#) and advance payment to Transmission Owner in accordance with Article 11.8.

5.7 Work Progress. The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Parties may, at any time, request a progress report from other Parties. If, at any time, Interconnection Customer determines that the completion of Transmission Owner's Interconnection Facilities and Network Upgrades will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Transmission Provider and Transmission Owner of such later date upon which the completion of Transmission Owner's Interconnection Facilities and Network Upgrades will be required.

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 Parties' Interconnection Facilities and compatibility of the Interconnection Facilities with the Transmission System, and shall work diligently and in good faith to make any necessary design changes.

5.9 Reserved.

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, Interconnection Facilities, Network Upgrades and Distribution Upgrades.

5.10.1 Interconnection Customer's Interconnection Facility Specifications. Interconnection Customer shall submit initial specifications for the ICIF,

equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission Owner-owned 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.†

- 5.11 Transmission Owner's Interconnection Facilities Construction.** Transmission Owner's Interconnection Facilities and Network Upgrades 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, Transmission Owner shall deliver to Interconnection Customer the following "as-built" drawings, information and documents for Transmission Owner's Interconnection Facilities and Network Upgrades [include appropriate drawings and relay diagrams].

Transmission Owner will obtain control of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades upon completion of such facilities.

- 5.12 Access Rights.** Upon reasonable notice and supervision by a Party, and subject to any required or necessary regulatory approvals, a Party ("Granting Party") shall furnish at no cost to any 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 Interim GIA pursuant to Article 2.5. 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 Transmission Owner's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Transmission Owner, 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, and to the extent consistent with [Federal or state law, as applicable](#), 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 Transmission Owner's Interconnection Facilities and/or Network 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 Provider or Transmission Owner shall provide permitting assistance to Interconnection Customer comparable to that provided to Transmission Provider's own, or an Affiliate's generation.

5.15 Early Construction of Base Case Facilities. 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 required for Interconnection Customer to be interconnected to the Transmission System which are included in the Base Case of the Facilities Study for Interconnection Customer, and which also are required to be constructed for another Interconnection Customer, but where such construction is not scheduled to be completed in time to achieve Interconnection Customer's In-Service Date.

5.16 Reserved.

5.17 ~~Taxes~~Reserved.

~~**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 Transmission Owner's Interconnection Facilities and the Network 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.~~

~~**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 Transmission Owner for 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 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. Transmission Owner represents and covenants that the cost of 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 Imposed Upon the Transmission Owner.~~ ~~Notwithstanding Article 5.17.1, Interconnection Customer shall protect, indemnify and hold harmless Transmission Owner from the cost consequences of any current tax liability imposed against Transmission Owner as the result of payments or property transfers made by Interconnection Customer to Transmission Owner under this Interim 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 Interim 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 of 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 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, and Network 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 Interim 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 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 Interim 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 covenants contained in Article 5.17.2, (ii) a "disqualification event" occurs within the meaning of IRS Notice 88-129, or (iii) this Interim GIA terminates and Transmission Owner retains ownership of the Interconnection Facilities and Network Upgrades, 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 may 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 Interim 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 Interim 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 Interim 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 amount 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 FERC's regulations at 18 CFR §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 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 Transmission Owner's Interconnection Facilities.~~

~~The intent of this provision is to leave the 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 may 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 Interim 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. All Parties shall cooperate with each other to maintain their tax status. Nothing in this Interim 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. Each 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 hereunder and shall include information concerning the

basis using communication as provided in Article 8. 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 Transmission Owner's meters. Such check meters shall be for check purposes only and shall not be used for the measurement of power flows for purposes of this Interim 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 Owner or its designee. The installation, operation and maintenance thereof shall be performed entirely by Interconnection Customer in accordance with Good Utility Practice.
- 7.3 Standards.** Transmission Owner shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards.
- 7.4 Testing of Metering Equipment.** Transmission Owner shall inspect and test all Transmission Owner-owned Metering Equipment ~~upon installation and at least once every two (2) years thereafter~~ in accordance with Transmission Owner's meter testing policies. If requested to do so by Interconnection Customer, Transmission Owner shall, at Interconnection Customer's expense, inspect or test Metering Equipment more frequently than ~~every two (2) years~~ the periods set forth in the Transmission Owner's meter testing policies. Transmission Owner shall give reasonable notice of the time when any inspection or test shall take place, and Interconnection Customer 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 Transmission Owner's failure to maintain, then Transmission Owner 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 from the measurement made by the standard meter used in the test, Transmission Owner 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 last 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 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.

comparable basis. A wind generator plant shall maintain a power factor within the range of .95 leading to .95 lagging, measured at the Point of Interconnection as defined in this Interim GIA, if the Transmission Provider's Interconnection Study shows that such a requirement is necessary to ensure safety or reliability.

9.6.2 Voltage Schedules. Once Interconnection Customer has synchronized the Generating Facility with the Transmission System, Transmission Provider and/or Transmission Owner 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). Transmission Owner's voltage schedules shall treat all sources of reactive power in the Control Area in an equitable and not unduly discriminatory manner. Transmission Owner 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 System. 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 the Transmission Owner.

9.6.2.1 Governors and Regulators. Whenever the Generating Facility is operated in parallel with the Transmission System 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 Owner'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 System or trip any generating unit comprising the Generating Facility for an under or over frequency condition in accordance with Good Utility Practice and Applicable Reliability Standards.

9.6.3 Payment for Reactive Power. Transmission Provider is required to pay Interconnection Customer for reactive power that Interconnection Customer provides or absorbs from the Generating Facility when

Transmission Owner requests Interconnection Customer to operate its Generating Facility outside the range specified in Article 9.6.1. Payments shall be pursuant to Article ~~11.8~~11.9 or such other agreement to which the Parties have otherwise agreed; provided however, to the extent the Tariff contains a provision providing for such compensation, that Tariff provision shall control.

9.7 Outages and Interruptions.

9.7.1 Outages.

9.7.1.1 Outage Authority and Coordination. Each Party may in accordance with Good Utility Practice in coordination with the other Party remove from service any of its respective Interconnection Facilities or Network 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 schedule such removal on a date and time mutually acceptable to all 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. Transmission Provider shall post scheduled outages of its transmission facilities on the OASIS. Interconnection Customer shall submit its planned maintenance schedules for the Generating Facility to Transmission Provider for a minimum of a rolling twenty-four month period. 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 Interconnection Customer for any additional direct costs that 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 Interconnection Customer would have incurred absent 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, Interconnection Customer had modified its schedule of maintenance activities.

payment is being protested by Interconnection Customer, or c) thirty (30) days of the filing if the GIA is filed unexecuted and the Initial Payment is not being protested by Interconnection Customer. If this GIA is terminated, then the Initial Payment shall be refunded with accrued interest, if any, to the Interconnection Customer less:

- a. any costs that have been incurred for the construction of the facilities specified in Appendix A;
- b. any funds that have been committed for the construction of those Shared Network Upgrades, or Network Upgrades, assigned to another interconnection customer where such upgrade costs would not have been assigned but for the termination of the GIA; or
- c. any costs that has been incurred for the construction of those Shared Network Upgrades, or Network Upgrades, that were paid for by another interconnection customer that are now unnecessary due to the termination of the GIA.

11.7 Provision of Security.

11.7.1 Initial Security. Payments for any upgrades installed by the Transmission Owner will be addressed in accordance with Article 11.8 of this Interim GIA. Within fifteen (15) Business Days of the date that Interconnection Customer delivers to Transmission Provider an executed Interim GIA, Interconnection Customer shall provide Transmission Provider, at Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Transmission Provider and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 14.2.1 in the amount set forth in Appendix A to this Interim GIA. This amount represents either (a) the sum of the estimated costs for which Interconnection Customer will be responsible for the construction, procurement, and installation of the applicable portion of Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades for which it will share cost responsibility as determined in the study designated in Appendix A.4. and 100 percent of the costs of Interconnection Facilities, Network Upgrades, or Distribution Upgrades for which Interconnection Customer has sole cost responsibility less the amounts required by Transmission Owner for Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades funded through Article 11.8 or (b) if the estimated costs above have not been established at the time Interconnection Customer requests Interim Interconnection Service, the initial security amount will be established by the Transmission Provider based on one or more completed studies for comparable interconnection requests. less the amounts required by Transmission Owner for Transmission Owner's

Interconnection Facilities, Network Upgrades and Distribution Upgrades funded through Article 11.8.

11.7.2 Security Adjustment. In the event that the results of any subsequently posted study (e.g., Definitive Interconnection System Impact Study, Interconnection Facilities Study, or any other study required pursuant to the GIP in connection with Interconnection Service under this Interim GIA) indicates that Interconnection Customer's cost responsibility for Interconnection Facilities, Network Upgrades, or Distribution Upgrades required to interconnect its Generating Facility is less than or greater than the amount set forth in Appendix A, the amount of security required under this Interim GIA shall be adjusted to reflect the Interconnection Customer's revised amount of cost responsibility determined in such posted study: less the amounts required by Transmission Owner for Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades funded through Article 11.8. Transmission Provider shall notify Interconnection Customer of the revised security amount when it posts the study. If the security amount increases, Interconnection Customer shall provide the additional amount of security within fifteen (15) Business Days of receipt of such notification. If the security amount decreases, Transmission Provider and Interconnection Customer shall take the appropriate action to reduce the amount of security held by Transmission Provider within fifteen (15) Business Days of Interconnection Customer's receipt of such notification. If Interconnection Customer fails to provide additional security as prescribed in this Article 11.5.2, this Interim GIA will be terminated in accordance with Article 2.3.

In addition:

11.7.2.1 The guarantee must be made by an entity that meets the creditworthiness requirements of Transmission Provider, 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.

11.7.2.2 The letter of credit must be issued by a financial institution reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.7.2.3 The surety bond must be issued by an insurer reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.8 Advance Payment.

11.8.1 For Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades constructed by Transmission Owner under this Interim GIA, Interconnection Customer shall be required to pay

Transmission Owner for all actual costs incurred by Transmission Owner for the procurement, installation, or construction of a discrete portion of a Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and shall pay Transmission Owner, in advance, for all work to be conducted by the Transmission Owner, under the terms and conditions set forth in this Interim GIA. Such advance payments shall be considered estimated costs for project planning, management, design, engineering, land purchase, environmental investigations, procurement, construction, inspection and commissioning activities for which such advance payments are then due. The funds shall be deposited by Interconnection Customer according to the instructions on individual invoices from Transmission Owner, which shall be delivered by Transmission Owner to Interconnection Customer at least ten (10) Business Days prior to the date of such payment being due. Transmission Owner shall not provide any labor, equipment, materials, parts, travel, or incur incidental costs associated with tasks described above, or commence any other work until applicable advance payment(s) is/are received in full.

11.8.2 Interconnection Customer shall not be required to make any subsequent payment to the Transmission Owner in the event tasks relating to the prior payment have not been substantially completed.

11.8.3 Transmission Owner shall keep detailed records for actual costs incurred. Interconnection Customer shall be entitled, during normal business hours and at its own expense, to review such records and supporting documentation. If, during procurement, installation, or construction of a discrete portion of a Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, or upon close-out of any phase of such activities, costs by Transmission Owner are expected to exceed the sum of payments made by Interconnection Customer, Transmission Owner will inform Interconnection Customer of the additional expenses and provide a written revision to the estimate, together with an invoice for the amount due. Interconnection Customer shall then promptly pay Transmission Owner in full and without interest for the billed amount. If, upon completion of the procurement, installation, or construction of a discrete portion of Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, costs incurred by Transmission Owner are less than the sum of payment(s) made to Transmission Owner by Interconnection Customer, Transmission Owner shall refund the difference, unless such payments are otherwise non-refundable pursuant to Section 11.6 (Initial Payment), without interest, as soon as the necessary vouchers may be prepared.

11.9 **Interconnection Customer Compensation.** If Transmission Provider or Transmission Owner requests or directs Interconnection Customer to provide a

service pursuant to Articles 9.6.3 (Payment for Reactive Power), or 13.5.1 of this Interim GIA, Transmission Provider shall compensate Interconnection Customer in accordance with Interconnection Customer's applicable rate schedule then in effect unless the provision of such service(s) is subject to the Tariff. Interconnection Customer shall serve Transmission Provider with any filing of a proposed rate schedule at the time of such filing with FERC. To the extent that no rate schedule is in effect at the time the Interconnection Customer is required to provide or absorb any Reactive Power under this Interim GIA, Transmission Provider agrees to compensate Interconnection Customer in such amount as would have been due Interconnection Customer had the rate schedule been in effect at the time service commenced; provided, however, that such rate schedule must be filed at FERC or other appropriate Governmental Authority within sixty (60) Calendar Days of the commencement of service.

~~11.8.1~~11.9.1 **Interconnection Customer Compensation for Actions During Emergency Condition.** Transmission Provider shall compensate Interconnection Customer for its provision of real and reactive power and other Emergency Condition services that Interconnection Customer provides to support the Transmission System during an Emergency Condition in accordance with Article ~~11.8.~~11.9.

Article 12. Invoice

The terms of this Article 12 apply to billing between the Parties for construction and operation and maintenance charges. All other billing will be handled according to the Tariff.

12.1 General. Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due 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 Interim 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 Interconnection Facilities and the Network Upgrades to be constructed pursuant to this Interim GIA, the Interconnection Customer shall receive an invoice of the final cost due under this Interim GIA, including any applicable cost due to termination, which 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. Interconnection Customer shall receive a refund of 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 either Party will not constitute a waiver of any rights or claims either Party may have under this Interim GIA.

12.4 Disputes. In the event of a billing dispute between the Parties, Transmission Owner, and Transmission Provider shall continue to provide Interconnection Service under this Interim GIA as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to 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 Owner may 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 the other Party shall pay the amount due ~~with interest calculated in accord with the methodology set forth in FERC's regulations at 18 C.F.R. § 35.19a(a)(2)(iii),~~ with the Transmission Provider and Interconnection Customer to pay the amount due with the accrued interest, if any.

Article 13. Emergencies

13.1 Definition. "Emergency Condition" shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, 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, or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of 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, Transmission Owner's Interconnection Facilities; or (4) 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 black start shall be considered Emergency Conditions; provided, that Interconnection Customer is not obligated by the Interim Generator Interconnection Agreement, to possess black start capability.

13.2 Obligations. Each Party shall comply with the Emergency Condition procedures of NERC, the Applicable Reliability Council, Transmission Provider, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.

Article 14. Regulatory Requirements and Governing Law

14.1 Regulatory Requirements. Each Party's obligations under this Interim 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 use its Reasonable Efforts to obtain such other approvals. Nothing in this Interim 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, or the Public Utility Regulatory Policies Act of 1978, as amended by the 2005 Energy Policy Act.

14.2 Governing Law.

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

14.2.2 This Interim 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 Interim GIA, any notice, demand or request required or permitted to be given by any Party to another and any instrument required or permitted to be tendered or delivered by any Party in writing to another 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.

Any Party may change the notice information in this Interim 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 another and not required by this Agreement to be given in

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 shall have the right to declare a Default and terminate this Interim GIA by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Interim GIA, to recover from the breaching Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this Interim GIA.

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Parties harmless from, 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 Parties' action or inactions of its obligations under this Interim GIA on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party. Notwithstanding the provisions of Article 18, the liability of the Transmission Owner shall be limited to and determined in accordance with the Federal Tort Claims Act, 28. U.S.C. § 1346(c), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.

18.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 18 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 18.1, to assume the defense of such claim, such indemnified person 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.

18.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 18, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

18.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 18.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

- 18.2 Consequential Damages.** ~~Other than the Liquidated Damages heretofore described, in~~In no event shall any Party be liable to any other Party under any provision of this Interim 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 any Party may be liable to another Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.
- 18.3 Interconnection Customer Insurance.** ~~Interconnection Customer—and Transmission Owner~~ shall at ~~their~~its own expense, maintain in force throughout the period of this Interim GIA, and until released by all other Parties, the following minimum insurance coverages, with insurers authorized to do business in the state where the Point of Interconnection is located:

carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. Each Party shall be responsible for its respective deductibles or retentions.

- 18.3.7** The Commercial General Liability Insurance, 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 Interim GIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed to by all Parties.
- 18.3.8** The requirements contained herein as to the types and limits of all insurance to be maintained by the Interconnection Customer—~~and Transmission Owner~~ are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this Agreement.
- 18.3.9** Within ten (10) days following execution of this Interim GIA, 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 certification of all insurance required in this Interim GIA, executed by each insurer or by an authorized representative of each insurer to the Other Party Group.
- 18.3.10** Notwithstanding the foregoing, ~~each Party~~Interconnection Customer may self-insure to meet the minimum insurance requirements of Articles 18.3.2 through 18.3.8 to the extent it maintains a self-insurance program; provided that, such ~~Party~~Interconnection Customer's senior secured debt is rated at investment grade or better by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 18.3.2 through 18.3.8. For any period of time that ~~a Party~~an Interconnection Customer's senior secured debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, ~~such Party~~Interconnection Customer shall comply with the insurance requirements applicable to it under Articles 18.3.2 through 18.3.9. In the event that ~~a Party~~Interconnection Customer 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 18.3.9.
- 18.3.11** 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 Interim GIA.

18.4 Transmission Owner Insurance. Transmission Owner is self-insured in accordance with its status as a Federal agency.

Article 19 Assignment.

19.1 Assignment. This Interim GIA may be assigned by any Party only with the written consent of the other Parties; ~~provided that any Party may assign this Interim GIA without the consent of the other Parties~~ to any Affiliate of the assigning Party, or other third party, with an ~~equal or greater~~acceptable credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Interim GIA; ~~and provided further that~~ Interconnection Customer shall have the right to assign this Interim GIA, ~~without~~with the written consent of Transmission Provider ~~or~~and Transmission Owner, for collateral security purposes to aid in providing financing for the Generating Facility; ~~provided that Interconnection Customer will promptly notify Transmission Provider and Transmission Owner 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 Transmission Provider and Transmission Owner of the date and particulars of any such exercise of assignment right(s), including providing the Transmission Provider with proof that it meets the requirements of Articles 11.7 and 18.3. Any assignment under this article not solely for collateral security purposes shall be conditioned on the simultaneous assignment of Interconnection Customer's Queue Position to assignee and assignee demonstrating the ability to enter into and fulfill the obligations of a final GIA. Any attempted assignment that violates this article is void and ineffective. Any assignment under this Interim 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~~Consent to assignment will not be unreasonably withheld, conditioned or delayed.

Article 20. Severability

20.1 Severability. If any provision in this Interim 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 Interim GIA; provided that if Interconnection Customer (or any third party, but only if such third party is not acting at the direction of Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Negotiated Option (Article 5.1.3), 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

- 22.1.8 Termination of Agreement.** Upon termination of this Interim 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 other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.
- 22.1.9 Remedies.** ~~In the instance where Transmission Owner is a Federal Power Agency, as specified in the opening paragraph of this Agreement, then this~~This section 22.1.9 shall not apply to the Transmission Owner. 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 other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this 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 C.F.R. Section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this Interim 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 C.F.R. Section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying another Party to this Interim GIA prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Parties to the Interim 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 C.F.R. Section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, if consistent with the applicable Federal and state laws, rules and regulations.

22.1.11 Subject to the exception in Article 22.1.10, any information that a Party claims is competitively sensitive, commercial or financial information under this Interim GIA ("Confidential Information") shall not be disclosed by another Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Interim GIA or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures

22.1.12 This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a Breach of this provision).

Article 23. Environmental Releases

23.1 Each Party shall notify the other Party, 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 the other 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 Party copies of any publicly available reports filed with any Governmental Authorities addressing such events.

23.2 Each Party shall remedy as soon as practicable all releases of Hazardous Substances brought to, or created at, real property it owns underlying the Generating Facility or Interconnection Facilities, and any such substances migrating from real property it owns at the Generating Facility site. The Party that caused the release shall bear the costs of the remedial action, which shall meet applicable Federal and state environmental standards at the time of the action. Such costs may include, but are not limited to, Federal and state supervision, remedial action plans, removal and remedial actions, and

negotiation of voluntary and judicial agreements required to meet such environmental standards.

23.3 The Parties agree to comply fully with the substantive requirements of all applicable Federal, state and local environmental laws in the performance of their obligations hereunder, and to mitigate and abate adverse environmental impacts accordingly.

Article 24. Information Requirements

24.1 Information Acquisition. Transmission Provider and 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. The initial information submission by Transmission Provider shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Transmission System information necessary to allow Interconnection Customer to select equipment and meet any system protection and stability requirements, unless otherwise agreed to by the Parties. On a monthly basis Transmission Provider shall provide Interconnection Customer a status report on the construction and installation of Transmission Provider's Interconnection Facilities 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.

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 the other Parties are responsible under this Interim GIA; and (ii) carry out its obligations and responsibilities under this Interim 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 Interim GIA.

25.2 Reporting of Non-Force Majeure Events. Each 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 Interim 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 the Parties receiving such notification to allege a cause for anticipatory breach of this Interim GIA.

GIA in providing such services and each Party shall remain primarily liable to the other Parties 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 Interim GIA. The hiring Party shall be fully responsible to the other Parties 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 Transmission Owner be liable for the actions or inactions of Interconnection Customer or its subcontractors with respect to obligations of Interconnection Customer under Article 5 of this Interim GIA. Any applicable obligation imposed by this Interim 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 Interim GIA or its performance, the Parties agree to resolve such dispute using 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 [Federal law or](#) 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 Interim 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 Interim GIA.

28.1.2 Authority. Such Party has the right, power and authority to enter into this Interim GIA, to become a Party hereto and to perform its obligations hereunder. This Interim 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).

29.1.6 Perform such other duties as may be conferred upon it by mutual agreement of the Parties.

Article 30. Miscellaneous

30.1 Binding Effect. This Interim 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.

30.2 Conflicts. In the event of a conflict between the body of this Interim GIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Interim GIA shall prevail and be deemed the final intent of the Parties.

30.3 Rules of Interpretation. This Interim 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 Interim 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 Interim 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 Interim GIA or such Appendix to this Interim 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 Interim 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 Interim GIA, including all Appendices and Schedules attached hereto, and also incorporating through reference Section 39.3 of the Tariff as if it were a part hereof, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this Interim GIA. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, a Party's compliance with its obligations under this Interim GIA.

30.5 No Third Party Beneficiaries. This Interim 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 Interim GIA to insist, on any occasion, upon strict performance of any provision of this Interim 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 a Party of its rights with respect to this Interim 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 Interim GIA. Termination or Default of this Interim GIA for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this Interim GIA shall, if requested, be provided in writing.

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

30.8 Multiple Counterparts. This Interim GIA may be executed in three 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 Interim GIA by a written instrument duly executed by each of the Parties.

30.10 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Interim GIA by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Interim 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 Interim 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 Interim 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 by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Interim GIA shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the Federal Power

Appendix A to Interim GIA

Interconnection Facilities, Network Upgrades, Distribution Upgrades, Security, Type and Amount of Interconnection Service, Construction Option, and Higher Queued Project List

1. Interconnection Facilities: [include description, responsible party, and estimated costs]

A. Interconnection Customer's Interconnection Facilities

B. Transmission Owner Interconnection Facilities

2. Network Upgrades: [include description, responsible party, and estimated costs]

A. Stand Alone Network Upgrades

B. Network Upgrades For Which Interconnection Customer Is Solely Responsible

C. Network Upgrades For Which Interconnection Customer Shares Cost Responsibility

3. Distribution Upgrades: [include description, responsible party, and estimated costs]

4. Security, Credits and Taxes:

A. The amount of initial security to be provided by Interconnection Customer in accordance with Article 11.5.1 is \$_____. The required amount of security required pursuant to this Interim GIA may be adjusted pursuant to Article 11.5.2 of this Agreement.

B. The estimated portion of the Network Upgrades identified in Section 2 of this Appendix A that could be subject to the credits described in Article 11.4 of this Agreement is \$_____.

- C. Interconnection Customer's estimated liability for reimbursement of Transmission Owner for taxes, interest and/or penalties under Article 5.17.3 of this Agreement is \$_____.

5. Type and Amount of Interim Interconnection Service:

The type of Interim Interconnection Service to be provided pursuant to this Interim GIA shall be [Energy Resource or Network Resource] Interim Interconnection Service in the amount of _____ MW.

6. Construction Option For Stand Alone Upgrades and Transmission Owner Interconnection Facilities:

The Parties have agreed to the construction options for the Stand Alone Network Upgrades and Transmission Owner Interconnection Facilities as specified below:

A. Stand Alone Network Upgrades:

[List the Stand Alone Network Upgrade and the construction option]

B. Transmission Owner Interconnection Facilities:

[List the Transmission Owner Interconnection Facility and the option]

7. Higher Queued Projects:

[list Higher Queued Projects]

8. Permits, Licenses and Authorizations:

9. Penalty, Redispatch or Market-Related Costs:

10. One-Line Diagram:

11. Environmental Requirements

This Interim GIA is subject to completion of the appropriate National Environmental Policy Act (NEPA) level of Environmental Review. Until a NEPA decision document is issued, no construction activities relating to Transmission Owner's Interconnection Facilities and/or Network Upgrades may commence.

(a) [Insert Environmental Requirements for an Environmental Impact Statement (EIS) level of Environmental Review]

(b) [Insert Environmental Requirements for an Environmental Assessment (EA) level of Environmental Review]

Appendix D to Interim GIA

Infrastructure and Operational Security Arrangements

Infrastructure security of Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day Transmission System reliability and operational security. FERC will expect all Transmission Providers, market participants, and Interconnection Customers interconnected to the Transmission System to comply with the recommendations offered by the ~~President's Critical~~[National Infrastructure Protection Board Advisory Council](#) and, eventually, 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.

Exhibit No. SPP-19

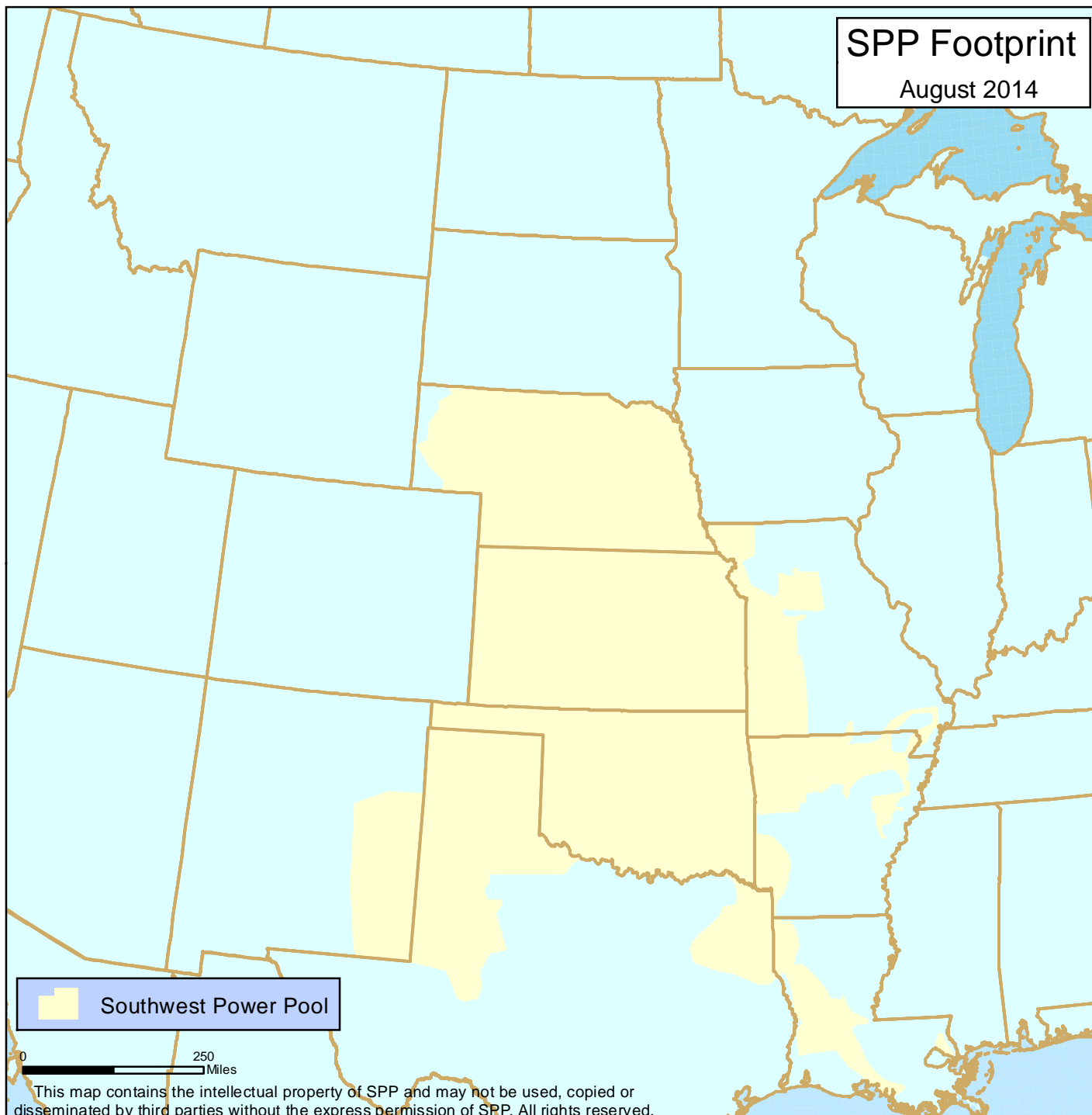
Maps Showing SPP's Current Footprint

and

SPP's Footprint with the Integrated System

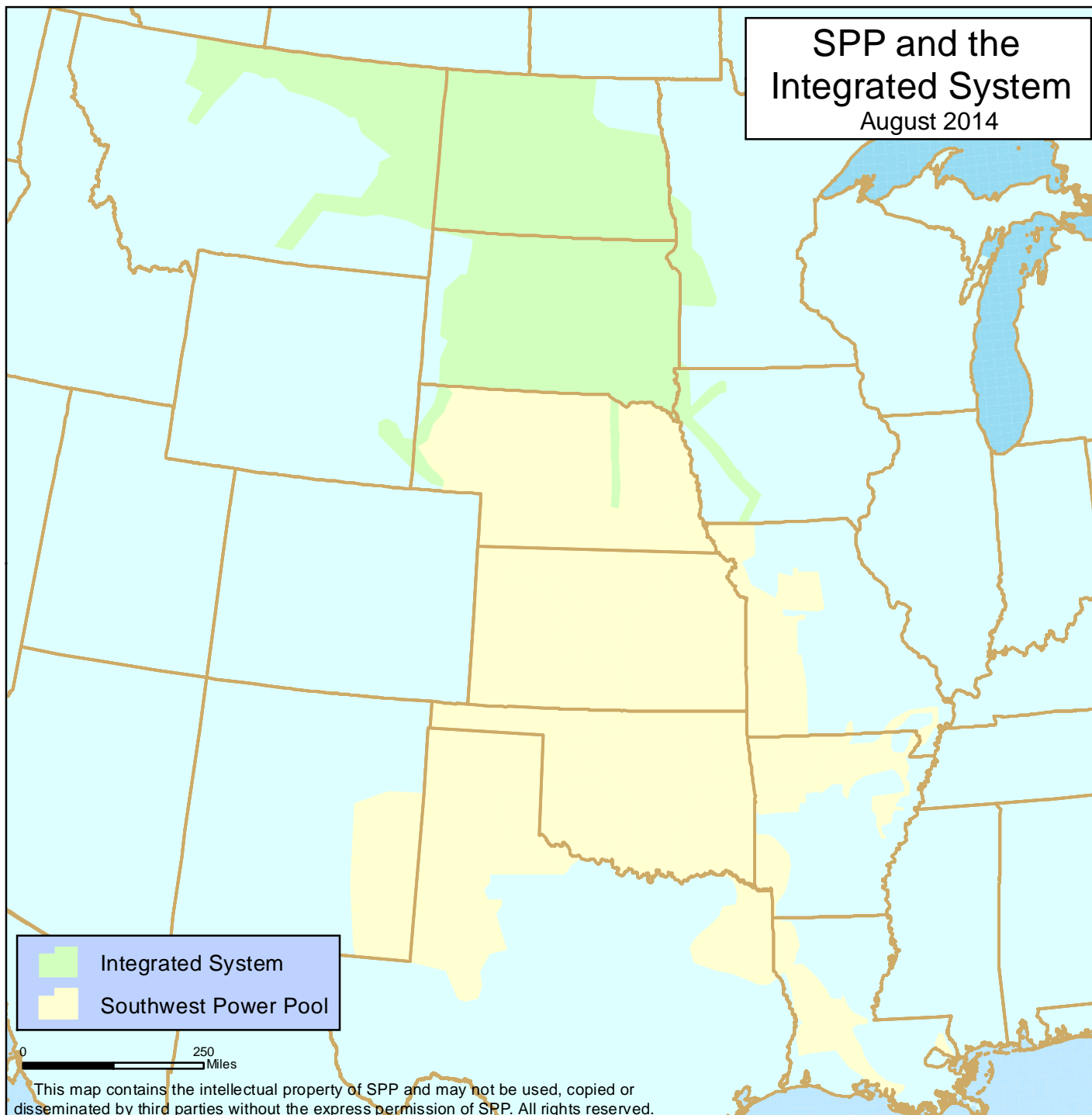
SPP Footprint

August 2014



SPP and the Integrated System

August 2014



Southwest Power Pool, Inc.
Open Access Transmission Tariff
Sixth Revised Volume No. 1
Superseding
Fifth Revised Volume No. 1

I. COMMON SERVICE PROVISIONS

- 1 Definitions
 - A - Definitions
 - B - Definitions
 - C - Definitions
 - D - Definitions
 - E - Definitions
 - F - Definitions
 - G - Definitions
 - H - Definitions
 - I - Definitions
 - J - Definitions
 - K - Definitions
 - L - Definitions
 - M - Definitions
 - N - Definitions
 - O - Definitions
 - P - Definitions
 - Q - Definitions
 - R - Definitions
 - S - Definitions
 - T - Definitions
 - U - Definitions
 - V - Definitions
 - W - Definitions
 - XYZ - Definitions
- 2 Initial Allocation and Renewal Procedures
 - 2.1 Initial Allocation of Available Transfer Capability
 - 2.2 Reservation Priority For Existing Firm Service Customers
- 3 Ancillary Services
- 4 Open Access Same-Time Information System (OASIS)
- 5 Local Furnishing Bonds
 - 5.1 Transmission Owners That Own Facilities Financed by Local Furnishing Bonds or that are Tax Exempt Entities
 - 5.2 Alternative Procedures for Requesting Transmission Service
- 6 Reciprocity
- 7 Billing and Payment
 - 7.1 Billing Procedure
 - 7.2 Interest on Unpaid Balances
 - 7.3 Financial Security Held By SPP
 - 7.4 Customer Default
- 8 Accounting for Use of the Tariff
 - 8.1 Study Costs and Revenues
- 9 Regulatory Filings
- 10 Force Majeure and Indemnification
 - 10.1 Force Majeure

- 10.2 Liability
 - 10.3 Indemnification
 - 10.4 Further Limitation of Liability
 - 10.5 Transmission Provider Recovery
- 11 Creditworthiness
- 12 Dispute Resolution Procedures
 - 12.1 Internal Dispute Resolution Procedures
 - 12.2 External Arbitration Procedures
 - 12.3 Arbitration Decisions
 - 12.4 Costs
 - 12.5 Rights Under The Federal Power Act
- II. POINT-TO-POINT TRANSMISSION SERVICE
- 13 Nature of Firm Point-To-Point Transmission Service
 - 13.1 Term
 - 13.2 Reservation Priority
 - 13.3 Use of Firm Transmission Service by the Transmission Owners
 - 13.4 Service Agreements
 - 13.5 Transmission Customer Obligations for Facility Additions or Redispatch Costs
 - 13.6 Curtailment of Firm Transmission Service
 - 13.7 Classification of Firm Transmission Service
 - 13.8 Scheduling of Firm Point-To-Point Transmission Service
- 14 Nature of Non-Firm Point-To-Point Transmission Service
 - 14.1 Term
 - 14.2 Reservation Priority
 - 14.3 Use of Non-Firm Point-To-Point Transmission Service by the Transmission Owner(s)
 - 14.4 Service Agreements
 - 14.5 Classification of Non-Firm Point-To-Point Transmission Service
 - 14.6 Scheduling of Non-Firm Point-To-Point Transmission Service
 - 14.7 Curtailment or Interruption of Service
- 15 Service Availability
 - 15.1 General Conditions
 - 15.2 Determination of Available Transfer Capability
 - 15.3 Initiating Service in the Absence of an Executed Service Agreement
 - 15.4 Obligation to Provide Transmission Service that Requires Expansion or Modification of the Transmission System
 - 15.5 Deferral of Service
 - 15.6 Other Transmission Service Schedules
 - 15.7 Real Power Losses
- 16 Transmission Customer Responsibilities
 - 16.1 Conditions Required of Transmission Customers
 - 16.2 Transmission Customer Responsibility for Third-Party Arrangements
- 17 Procedures for Arranging Firm Point-To-Point Transmission Service
 - 17.1 Application
 - 17.1a Time Requirements

- 17.2 Completed Application
- 17.3 Credit Arrangements
- 17.4 Notice of Deficient Application
- 17.5 Response to a Completed Application
- 17.6 Execution of Service Agreement
- 17.7 Extensions for Commencement of Service
- 17.8 Designated Resources Using Long-Term Point-To-Point Transmission Service
- 17.9 Interconnection of Delivery Points
- 18 Procedures for Arranging Non-Firm Point-To-Point Transmission Service
 - 18.1 Application
 - 18.2 Completed Application
 - 18.3 Timing of Requests and Responses Regarding Reservation of Non-Firm Point-To-Point Transmission Service
 - 18.4 Determination of Available Transfer Capability
- 19 Additional Study Procedures For Firm Point-To-Point Transmission Service Requests
 - 19.1 Notice of Need for System Impact Study
 - 19.2 System Impact Study Agreement and Cost Reimbursement
 - 19.3 System Impact Study Procedures
 - 19.4 Facilities Study Procedures
 - 19.5 Facilities Study Modifications
 - 19.6 Due Diligence in Completing New Facilities
 - 19.7 Partial Interim Service
 - 19.8 Expedited Procedures for New Facilities
 - 19.9 Reporting Failure to Meet Study Deadlines
- 20 Procedures if The Transmission Provider is Unable to Complete New Transmission Facilities for Firm Point-To-Point Transmission Service
 - 20.1 Delays in Construction of New Facilities
 - 20.2 Alternatives to the Original Facility Additions
 - 20.3 Refund Obligation for Unfinished Facility Additions
- 21 Provisions Relating to Transmission Construction and Services on the Systems of Other Utilities
 - 21.1 Responsibility for Third-Party System Additions
 - 21.2 Coordination of Third-Party System Additions
- 22 Changes in Service Specifications
 - 22.1 Modifications On a Non-Firm Basis
 - 22.2 Additional Charge To Prevent Abuse
 - 22.3 Modification On a Firm Basis
- 23 Sale or Assignment of Transmission Service
 - 23.1 Procedures for Assignment or Transfer of Service
 - 23.2 Limitations on Assignment or Transfer of Service
 - 23.3 Information on Assignment or Transfer of Service
- 24 Metering and Power Factor Correction at Receipt and Delivery Points(s)
 - 24.1 Transmission Customer Obligations
 - 24.2 Transmission Provider Access to Metering Data

	24.3	Power Factor
25		Compensation for Transmission Service
26		Stranded Cost Recovery
27		Compensation for New Facilities and Redispatch Costs
III.		NETWORK INTEGRATION TRANSMISSION SERVICE
28		Nature of Network Integration Transmission Service
	28.1	Scope of Service
	28.2	Transmission Provider and Transmission Owners Responsibilities
	28.3	Network Integration Transmission Service
	28.4	Secondary Service
	28.5	Real Power Losses
	28.6	Restrictions on Use of Service
29		Initiating Service
	29.1	Condition Precedent for Receiving Service
	29.2	Application Procedures
	29.3	Technical Arrangements to be Completed Prior to Commencement of Service
	29.4	Network Customer Facilities
	29.5	Filing of Service Agreement
30		Network Resources
	30.1	Designation of Network Resources
	30.2	Designation of New Network Resources
	30.3	Termination of Network Resources
	30.4	Operation of Network Resources
	30.5	Network Customer Redispatch Obligation
	30.6	Transmission Arrangements for Network Resources Not Physically Interconnected With The Transmission Provider
	30.7	Limitation on Designation of Network Resources
	30.8	Use of Interface Capacity by the Network Customer
	30.9	Network Customer Owned Transmission Facilities
31		Designation of Network Load
	31.1	Network Load
	31.2	New Network Loads Connected With the Transmission Provider
	31.3	Network Load Not Physically Interconnected with the Transmission Provider
	31.4	New Interconnection Points
	31.5	Changes in Service Requests
	31.6	Annual Load and Resource Information Updates
32		Additional Study Procedures For Network Integration Transmission Service Requests
	32.1	Notice of Need for System Impact Study
	32.2	System Impact Study Agreement and Cost Reimbursement
	32.3	System Impact Study Procedures
	32.4	Facilities Study Procedures
	32.5	Penalties for Failure to Meet Study Deadlines
	32.6	Facilities Study Modifications

- 32.7 Due Diligence in Completing New Facilities
- 32.8 Partial Interim Service
- 32.9 Expedited Procedures for New Facilities
- 32.10 Delays in Construction of New Facilities
- 32.11 Alternatives to the Original Facility Additions
- 33 Load Shedding and Curtailments
 - 33.1 Procedures
 - 33.2 Transmission Constraints
 - 33.3 Cost Responsibility for Relieving Transmission Constraints
 - 33.4 Curtailments of Scheduled Deliveries
 - 33.5 Allocation of Curtailments
 - 33.6 Load Shedding
 - 33.7 System Reliability
- 34 Rates and Charges
 - 34.1 Monthly Demand Charge for all Zones except Zone 1
 - 34.2 Monthly Demand Charge – Zone 1
 - 34.3 Monthly Demand Charge – Zone 11
 - 34.4 Determination of Network Customer's Monthly Network Load
 - 34.5 Determination of Transmission Provider's Monthly Zone Transmission Load
 - 34.6 Redispatch Charge
 - 34.7 Stranded Cost Recovery
 - 34.8 SPP Costs
- 35 Operating Arrangements
 - 35.1 Operation under the Network Operating Agreement
 - 35.2 Network Operating Agreement
- 36 Scheduling
- IV. SPECIAL RULES ON USE OF TARIFF
 - 37 During Transition Period
 - 37.1 Service Not Required for Bundled Customers or Customers Under Retail Access Programs
 - 37.2 Availability of Network Integration Transmission Service
 - 37.3 Unbundled Wholesale
 - 37.4 Grandfathered Transactions
 - 38 After Transition Period
 - 38.1 Applicability to Retail Load Having Choice
 - 38.2 Applicability to All Retail Load Not Having Choice
 - 38.3 Grandfathered Agreements
 - 39 Applicability of Non-Rate Terms and Conditions
 - 39.1 Subject to State Laws and Regulations and Public Power Rate Schedules
 - 39.2 Bundled Retail and Grandfathered Load
 - 39.3 Participation by Western-UGP Subject to Federal Laws and Regulations
 - 39.4 Applicability to Rural Electric Cooperatives
- V. RECOVERY OF COSTS FOR BASE PLAN UPGRADES AND APPROVED BALANCED PORTFOLIOS
 - 40 Base Plan Zonal Charge and Region-wide Charge

41	Applicability to Resident Load
42	Applicability to Point-To-Point Transmission Service
SCHEDULE 1	
	Scheduling, System Control and Dispatch Service
SCHEDULE 1-A	
	Tariff Administration Service
SCHEDULE 2	
	Reactive Supply and Voltage Control from Generation or Other Sources Service
SCHEDULE 3	
	Regulation and Frequency Response Service
SCHEDULE 4	
	Energy Imbalance Service
SCHEDULE 5	
	Operating Reserve - Spinning Reserve Service
SCHEDULE 6	
	Operating Reserve - Supplemental Reserve Service
SCHEDULE 7	
	Long-Term Firm and Short-Term Firm Point-To-Point Transmission Service
SCHEDULE 8	
	Non-Firm Point-To-Point Transmission Service
SCHEDULE 9	
	Network Integration Transmission Service
SCHEDULE 10	
	Wholesale Distribution Service
SCHEDULE 11	
	Base Plan Zonal Charge and Region-wide Charge
SCHEDULE 12	
	FERC Assessment Charge
ATTACHMENT A	
	Form Of Service Agreement For Firm Point-To-Point Transmission Service
ATTACHMENT A-1	
	Form Of Service Agreement For The Resale, Reassignment Or Transfer Of Point-To-Point Transmission Service
ATTACHMENT B	
	Form Of Service Agreement For Non-Firm Point-To-Point Transmission Service
ATTACHMENT C	
	Methodology To Assess Available Transfer Capability
ATTACHMENT D	
	Methodology for Completing a System Impact Study
ATTACHMENT E	
	Index Of Point-To-Point Transmission Service Customers
ATTACHMENT F	
	Service Agreement For Network Integration Transmission Service
ATTACHMENT G	
	Network Operating Agreement
ATTACHMENT H	

	Annual Transmission Revenue Requirement for Network Integration Transmission Service
ATTACHMENT I	Index Of Network Integration Transmission Service Customers
ATTACHMENT J	Recovery Of Costs Associated With New Facilities
ATTACHMENT K	Redispatch Procedures and Redispatch Costs
ATTACHMENT L	Treatment Of Revenues
ATTACHMENT M	Loss Compensation Procedure
ATTACHMENT N	[Reserved for Future Use]
ATTACHMENT O	Transmission Planning Process
ATTACHMENT P	Transmission Service Timing Requirements
ATTACHMENT Q	Form of Application For Short-Term Firm and Non-Firm Transmission Service
ATTACHMENT R	North American Electric Reliability Council Transmission Loading Relief (“TLR”) Procedure
ATTACHMENT R-1	North American Energy Standards Board Business Practices
ATTACHMENT S	Procedure for Calculation of MW-Mile Impacts for Use in Revenue Requirements, Revenue Allocation and Determination of Losses
ATTACHMENT T	Rate Sheets For Point-To-Point Transmission Service
ATTACHMENT U	Rate Schedule For Compensation For Rescheduled Maintenance Costs
ATTACHMENT V	Coordinated Generation Interconnection Procedures
ATTACHMENT W	Index of Grandfathered Agreements
ATTACHMENT X	Credit Policy
ATTACHMENT Y	Transmission Owner Designation Process
ATTACHMENT Z1	Aggregate Transmission Service Study Procedures and Cost Allocation and Recovery for Service Upgrades
ATTACHMENT Z2	Revenue Crediting for Upgrades
ATTACHMENT AA	

Reserved for Future Use
ATTACHMENT AB
Reserved For Future Use
ATTACHMENT AC
Reservation Processing Method For Short Term Firm Transmission Service
ATTACHMENT AD
Southwestern Power Administration Agreement Between United States Of America and
Southwest Power Pool, Inc.
ATTACHMENT AE
Integrated Marketplace
ATTACHMENT AF
Market Power Mitigation Plan
ATTACHMENT AG
Market Monitoring Plan
ATTACHMENT AH
Market Participant Service Agreement
ATTACHMENT AI
Transmission Definition
ATTACHMENT AJ
Reserved for Future Use
ATTACHMENT AK
Treatment of Reserve Sharing Charges and Revenues
ATTACHMENT AL
Form of Non-Disclosure Agreement for Authorized Requestors
ATTACHMENT AM
Meter Agent Services Agreement
ATTACHMENT AN
Balancing Authorities Agreement
ATTACHMENT AO
Agreement Establishing External Generation Non-Physical Electrical Interconnection
Point
ATTACHMENT AP
Allocation of Cost Associated with Reliability Penalty Assessments
ATTACHMENT AQ
Delivery Point Addition Process
ATTACHMENT AR
Screening Study

B - Definitions

Balanced Portfolio: A set of transmission upgrades that provides economic benefits across the SPP Region that meet the requirements in Sections IV.3 and IV.4 of Attachment O.

Balanced Portfolio Region-wide Annual Transmission Revenue Requirement: The annual transmission revenue requirement for an approved Balanced Portfolio determined in accordance with Attachment J to this Tariff.

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

- (1) Match, at all times, the power output of the generators within the electric power system(s) and capacity and energy purchased from entities outside the electric power system(s), with the load within the electric power system(s);
- (2) Maintain scheduled interchange with other Balancing Authority Areas, within the limits of Good Utility Practice;
- (3) Maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and
- (4) Provide for sufficient generating capacity to maintain operating reserves in accordance with Good Utility Practice.

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.

Base Plan Region-wide Annual Transmission Revenue Requirement: The sum of the annual transmission revenue requirement for each Base Plan Upgrade and of the Accredited Revenue Requirement(s), if any, that are allocated to the SPP Region in accordance with Attachment J to this Tariff.

Base Plan Upgrades: Those upgrades included in and constructed pursuant to the SPP Transmission Expansion Plan in order to ensure the reliability of the Transmission System. Base Plan Upgrades shall also include: (i) those Service Upgrades required for new or changed Designated Resources to the extent allowed for in Attachment J to this Tariff, (ii) ITP Upgrades that are approved for construction by the SPP Board of Directors, and (iii) high priority upgrades, excluding Balanced Portfolios, that are approved for construction by the SPP Board of Directors. For Zones 1 through 15, all such upgrades shall specifically exclude planned Transmission System facilities identified in the SPP Transmission Expansion Plan that are: (i) placed in service during the 2005 calendar year or (ii) required to be in service to meet the SPP Criteria and the NERC Reliability Standards for the summer of 2005. For Zones 16, 17, and 18, all such upgrades shall specifically exclude planned Transmission System facilities in those zones identified in the SPP Transmission Expansion Plan Report (2009 – 2018) that are required to be in service to meet the SPP Criteria and the NERC Reliability Standards for the summer of 2008 or which are in operation prior to January 1, 2009, except for those upgrades that are in service prior to January 1, 2009 and are components of Phase 1 of the NPPD 345kV Norfolk to Lincoln (ETR) project or OPPD Sub 1255/3455 Transformer project. Network Upgrades that are components of Phase 1 of the NPPD 345kV Norfolk to Lincoln (ETR) project or OPPD Sub 1255/3455 Transformer project that are in service prior to January 1, 2009 will be Base Plan Upgrades, however, the Zonal component of the costs shall be 100% allocated to the respective host zone. The Base Plan Upgrades in Zones 1 through 18 identified by the Transmission Provider with a need date prior to October 1, 2015 shall not be allocable to Zone 19. The upgrades in Zone 19 identified by the Transmission Provider with a need date prior to October 1, 2015, shall not constitute Base Plan Upgrades. The facilities identified in Schedule 2 to Attachment J are expressly deemed to be Base Plan Upgrades pursuant to Attachment J, Section III.A.2.

Base Plan Zonal Annual Transmission Revenue Requirement: For each Zone, the sum of the annual transmission revenue requirement for each Base Plan Upgrade and of the Accredited Revenue Requirement(s), if any, that are allocated to the Zone in accordance with Attachments J and S to this Tariff.

Base Plan Zonal Charge: Zonal component of the charge assessed by the Transmission Provider in accordance with Schedule 11 to recover the revenue requirement of facilities classified as Base Plan Upgrades.

Base Plan Zonal Load Ratio Share: Ratio of a Network Customer's or Transmission Owner's Resident Load in a Zone to the total load in that Zone computed in accordance with Section II.A. to Schedule 11 of this Tariff and calculated on a calendar year basis, for the prior calendar year. *Customer loads used to determine the Base Plan Zonal Load Ratio Share shall be adjusted for real power losses in accordance with the provisions set out in Section 28.5 of this Tariff.*

Base Plan Zonal Rate: Zonal component of the rate (per kW of Reserved Capacity for Point-To-Point Transmission Service) assessed by the Transmission Provider in accordance with Schedule 11 to recover the revenue requirement of facilities classified as Base Plan Upgrades.

Business Day: A day on which the Federal Reserve System is open for business.

E - Definitions

Eastern Interconnection: A major alternating-current electrical grid in North America. The Eastern Interconnection reaches from Central Canada eastward to the Atlantic coast (excluding Quebec), south to Florida, and back west to the foot of the Rockies (excluding most of Texas).

Effective Date: For Short-Term Firm and Non-Firm Point-To-Point Transmission Service the Effective Date of this Tariff is June 1, 1998. For Long-Term Firm Point-To-Point Transmission Service the Effective Date of this Tariff is April 1, 1999. For Network Integration Transmission Service the Effective Date of this Tariff is February 1, 2000.

Eligible Customer: (i) Any electric utility (including the Transmission Owner(s) and any power marketer), Federal Power Marketing Agency, or any person generating electric energy for sale for resale. Electric energy sold or produced by such entity may be electric energy produced in the United States, Canada or Mexico. However, with respect to transmission service that the Commission is prohibited from ordering by Section 212(h) of the Federal Power Act, such entity is eligible only if the service is provided pursuant to a state requirement that a Transmission Owner offer the unbundled transmission service, or pursuant to a voluntary offer of such service by a Transmission Owner. (ii) Any retail customer or eligible person taking unbundled transmission service pursuant to a state requirement that a Transmission Owner offer the transmission service, or pursuant to a voluntary offer of such service by a Transmission Owner, is an Eligible Customer under the Tariff.

Emergency Condition: A condition or situation determined by the Transmission Provider that is imminently likely to cause a material adverse effect on the security of, or damage to the Transmission System.

Energy and Operating Reserve Markets: The Day-Ahead Market and Real-Time Balancing Market, including the Reliability Unit Commitment processes.

External Resource: A Resource, other than a Designated Resource, located outside of the SPP Balancing Authority that is included in the SPP Balancing Authority through an External Resource Pseudo-Tie.

External Resource Pseudo-Tie: A non-physical electrical interconnection point between Balancing Authorities, whereby all or a portion of an External Resource is electronically moved from a Balancing Authority external to the SPP Balancing Authority. Energy delivered from an External Resource to the SPP Balancing Authority is treated as a Balancing Authority interchange from the source Balancing Authority to the SPP Balancing Authority.

F - Definitions

Facilities Study: An engineering study conducted by the Transmission Provider in collaboration with the affected Transmission Owner(s) to determine the required modifications to the Transmission System, including the cost and scheduled completion date for such modifications, that will be required to provide the requested transmission service or Generation Interconnection Service. The Transmission Provider shall have the ultimate responsibility for any such studies. However, the Transmission Provider's final decision must be consistent with Good Utility Practice. Facilities studies for any facilities not under the operational control of the Transmission Provider shall be performed by the Transmission Owner or any entity it designates to perform the studies.

Feasibility Study: A coordinated preliminary determination by the Transmission Provider and the affected Transmission Owner(s) of the Attachment Facilities, other Direct Assignment Facilities, and system upgrades that are needed to accept power into the grid at the interconnection receipt point, that will be necessary to accommodate a Generation Interconnection Request made under Attachment V.

Federal Power-Southwestern: All power and energy generated at reservoir projects under the control of the Department of the Army in the marketing area of the Southwestern Power Administration (Southwestern) plus power and energy delivered to Southwestern from other sources for the purpose of fulfilling Southwestern's contractual obligations for the sale of power and energy pursuant to Southwestern's Federal power allocations.

Federal Power-Western-UGP: All power and energy generated at reservoir projects under the control of the Department of the Army or the Bureau of Reclamation in the marketing area of the Western-UGP for the purpose of fulfilling Western-UGP's Statutory Load Obligations for the sale of power and energy. This shall also include any power and energy delivered to or from Western-UGP under the grandfathered bi-directional agreement with Southwestern Power Administration through Associated

Electric Cooperative, Inc. (“AECI”) for delivery and receipt at AECI’s Maryville Substation. Western-UGP’s deliveries to Southwestern shall be considered part of Western-UGP’s Statutory Load Obligations, and receipts from Southwestern to Western-UGP will be considered as coming from Federal resources. Federal Power-Western-UGP resources shall be eligible to be considered as Designated Resources.

Federal Power Marketing Agency: This term shall include the term “Federal Power Marketing Administration” and have the same definition that is set forth in the Federal Power Act at 16 U.S.C. § 796(19), which defines “Federal power marketing agency” as “any agency or instrumentality of the United States (other than the Tennessee Valley Authority) which sells electric energy[.]”

Federal Service Exemption: Western-UGP’s exemption from certain charges described in Section 39.3(e) of this Tariff.

Firm Point-To-Point Transmission Service: Transmission Service under this Tariff that is reserved and/or scheduled between specified Points of Receipt and Delivery pursuant to Part II of this Tariff.

G - Definitions

Generation Interconnection Customer: An entity that submits a Generation Interconnection Request under Attachment V.

Generation Interconnection Request: A request made under Attachment V to connect a generating unit to the Transmission System or to increase the capacity of a generating unit that is connected to the Transmission System.

Good Utility Practice: Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility 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, including those practices required by Federal Power Act section 215(a)(4).

Grandfathered Agreements or Transactions: Grandfathered Agreements or Transactions include (1) agreements providing long term firm transmission service executed prior to April 1, 1999 and Network Integration Transmission Service executed prior to February 1, 2000; (2) bundled wholesale contracts (that reserve transmission as part of the contract); (3) short-term firm and non-firm point-to-point transmission transactions which were accepted and confirmed prior to the Effective Date; (4) existing or new contracts entered into by the Southwestern Power Administration on behalf of the United States for the use of transmission facilities of the Southwestern Power Administration that are constructed or acquired by purchase or other agreement, as authorized under Section 5 of the Flood Control Act of 1944, for the transmission of Federal Power-Southwestern; (5) contracts executed before the Effective Date, regardless of term, entered into by the Southwestern Power Administration on behalf of the United States for the transmission of power or energy across transmission facilities owned and

operated by the Southwestern Power Administration; (6) contracts entered into by a Nebraska or South Dakota public-power entity prior to the transfer of functional control of its transmission facilities to the Transmission Provider; (7) existing contracts entered into by a Member which is a Nebraska or South Dakota public-power entity with any retail or wholesale electric utility customer that has a right under state law to obtain electric transmission service or energy service from such Member; (8) new contracts entered into by a Member which is a Nebraska or South Dakota public-power entity with any retail or wholesale electric utility customer that has a right under state law to obtain electric transmission service or energy service from such Member to the extent that provision of service under the Tariff would not satisfy such Member's obligation under state law; (9) agreements entered into by Southwestern Public Service Company (SPS) and Public Service Company of Colorado (PSCo) for transmission service across the Lamar HVDC Tie Line to integrate generation resources and loads pursuant to the Xcel Energy Operating Companies Joint Operating Agreement and other service under the Xcel Energy Operating Companies Open Access Transmission Tariff pursuant to FERC orders on the merger of the Xcel Energy Operating Companies, Public Service Company of Colorado, et al., 75 FERC ¶ 61,325 (1996), Order Conditionally Approving Settlement and Conditionally Authorizing Merger, 78 FERC ¶ 61,267 (1997); Cheyenne Light, Fuel and Power Co., et al., 78 FERC ¶ 61,268 (1997); and Northern States Power Company, et. al., 90 FERC ¶ 61,020 (2000), and the FERC approved Offers of Settlement in Docket Nos. ER04-1174-000 et al. and ER08-313-000 et al.; and (10) contracts executed by Western-UGP prior to the transfer of functional control of Western-UGP transmission facilities to the Transmission Provider, regardless of term, for the transmission of power or energy. These agreements are set forth on the list which is Attachment W to this Tariff. Umbrella service agreements are specifically not Grandfathered.

R - Definitions

Real-Time Balancing Market (“RTBM”): The market operated by the Transmission Provider continuously in real-time to balance the system through deployment of Energy and to clear Regulation-Up, Regulation-Down, Spinning Reserve and Supplemental Reserve.

Receiving Party: The entity receiving the capacity and energy transmitted by the Transmission Provider to Point(s) of Delivery.

Region-wide Annual Transmission Revenue Requirement: The sum of the *annual transmission revenue requirements* as set forth in Attachment H, Table 2-A and Table 2-B.

Region-wide Charge: Regional component of the charge assessed by the Transmission Provider in accordance with Schedule 11 to recover the Region-wide Annual Transmission Revenue Requirement.

Region-wide Load Ratio Share: For application to Section I, Table 2-A of Attachment H, the ratio of a Network Customer’s or Transmission Owner’s Resident Load to total Resident Load in Zones 1 through 18, computed in accordance with Section II.B to Schedule 11 of this Tariff, and calculated on a calendar year basis for the prior calendar year. For application to Section I, Table 2-B of Attachment H, the ratio of a Network Customer’s or Transmission Owner’s Resident Load to total Resident Load in the SPP Region, with both numerator and denominator limited to Resident Loads subject to the Region-wide Charge, computed in accordance with Section II.B to Schedule 11 of this Tariff, and calculated on a calendar year basis for the prior calendar year. *Customer loads used to determine the Region-wide Load Ratio Share shall be adjusted for real power losses in accordance with the provisions set out in Section 28.5 of this Tariff.*

Region-wide Rate: Regional component of the rate per kW of Reserved Capacity assessed by the Transmission Provider in accordance with Schedule 11 to recover the Region-wide Annual Transmission Revenue Requirement.

Regional State Committee: A voluntary organization comprised of one designated commissioner from each participating state regulatory commission having jurisdiction over an SPP Member, established to collectively provide both direction and input on all matters pertinent to the participation of the Members in SPP pursuant to the SPP Bylaws.

Regional Transmission Group (RTG): A voluntary organization of Transmission Owners, transmission users and other entities approved by the Commission to efficiently coordinate transmission planning (and expansion), operation and use on a regional (and interregional) basis.

Reserve Sharing System: The Transmission Provider's computer system that receives and records contingency events and requests for assistance by Reserve Sharing Group members, calculates and communicates the appropriate reserve capacity obligations and reserve energy responsibilities for events to all Reserve Sharing Group members and creates applicable Energy schedules for deployment by the Reserve Sharing Group members.

Reserved Capacity: The maximum amount of capacity and energy that the Transmission Provider agrees to transmit for the Transmission Customer over the Transmission Provider's Transmission System between the Point(s) of Receipt and the Point(s) of Delivery under Part II of the Tariff. Reserved Capacity shall be expressed in terms of whole megawatts on a sixty (60) minute interval (commencing on the clock hour) basis.

Resident Load: The load specified in Section 41 of the Tariff.

Revenue Requirements and Rates File (RRR File): A file posted on the SPP website as a reference to: (i) Annual Transmission Revenue Requirements (ATRRs) for Network Integration Transmission Service, as referenced in Attachment H to this Tariff; (ii) Base Plan ATRR allocation; (iii) allocation factors for Base Plan funded projects; (iv) notes on the calculation of Base Plan ATRR amounts on a Region-wide and Zonal basis; (v) ATRR reallocation for Balanced Portfolio projects; (vi) the calculation of Base Plan Point-To-Point Transmission Service rates on a Region-wide and Zonal basis in accordance with Schedule 11; and (vii) the rates for Point-To-Point Transmission Service as referenced in Attachment T in accordance with Schedules 7 and 8.

S - Definitions

Screening Study: A study conducted pursuant to Attachment AR of the Tariff to evaluate potential Long-Term Service request options or a proposed Delivery Point Transfer.

Screening Study Agreement: An agreement between Transmission Provider and a Network Customer or Transmission Customer for the performance of a Screening Study pursuant to Attachment AR of the Tariff.

Service Agreement: The initial agreement and any amendments or supplements thereto entered into by the Transmission Customer and the Transmission Provider for service under the Tariff.

Service Commencement Date: The date the Transmission Provider begins to provide service pursuant to the terms of an executed Service Agreement, or the date the Transmission Provider begins to provide service in accordance with Section 15.3 or Section 29.1 under the Tariff.

Service Upgrades: Network Upgrades required to provide transmission service requested by an Eligible Customer in accordance with Attachment Z1 to this Tariff.

Short-Term Firm Point-To-Point Transmission Service: Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of less than one year.

Short-Term Service: Short-Term Firm Point-To-Point Transmission Service or Network Integration Transmission Service of less than one year.

Sponsored Upgrades: Network Upgrades, requested by a Transmission Customer or other entity, which do not meet the definition of any other category of Network Upgrades.

SPP: The Southwest Power Pool, Inc.

SPP Bylaws: The Bylaws of SPP filed at FERC that set forth the governance structure and other organizational authorities and obligations for SPP.

SPP Membership Agreement: The Southwest Power Pool Membership Agreement detailing the rights and obligations of the SPP and SPP Members.

SPP Region: The geographic area of the Transmission System.

SPP Transmission Expansion Plan (STEP): The plan that describes the transmission expansion projects being considered over the planning period and developed through the stakeholder process in accordance with this Tariff and approved by the SPP Board.

Statutory Load Obligations: Western-UGP's power marketing function obligations under Federal law to deliver power and energy from the output of the Federal hydroelectric projects operated by the Department of the Army and the Bureau of Reclamation to loads which include project use loads, preference power customer loads in Iowa, Minnesota, Montana, Nebraska, North Dakota, and South Dakota located in a marketing area defined pursuant to a power marketing plan, and other loads required to be served under Federal law.

System Condition: A specified condition on the Transmission Provider's system or on a neighboring system, such as a constrained transmission element or flowgate, that may trigger Curtailment of Long-Term Firm Point-To-Point Transmission Service using the curtailment priority pursuant to Section 13.6. Such conditions must be identified in the Transmission Customer's Service Agreement.

System Impact Study: A coordinated assessment by the Transmission Provider and the affected Transmission Owner(s) of (i) the adequacy of the Transmission System to

accommodate Short-Term Service or (ii) to determine the Attachment Facilities, other Direct Assignment Facilities, and system upgrades that are needed to accept power into the grid at the interconnection receipt point, required to accommodate a request for generation interconnection in accordance with Attachment V and (iii) whether any additional costs may be incurred in order to provide transmission service or generation interconnection.

U - Definitions

Upper Missouri Zone: The Upper Missouri Zone (“UMZ” or “Zone 19”) is the rate pricing zone initially consisting of the following facilities that meet the requirements of Attachment AI, upon the transfer of those facilities to the functional control of the Transmission Provider: (i) the facilities of Western-UGP within the Eastern and Western Interconnections; (ii) the facilities owned or leased by Basin Electric Power Cooperative or Heartland Consumers Power District within the Eastern Interconnection; (iii) a portion of the facilities owned or leased by Basin Electric Power Cooperative within the Western Interconnection; and (iv) other facilities of the Western Area Power Administration in the Eastern Interconnection transferred to the functional control of the Transmission Provider, not included in the facilities of Western-UGP in (i) above.

Users: Transmission Customers or other entities that are parties to transactions under the Tariff.

Upgrade Sponsor: A Transmission Customer, Network Customer, Generation Interconnection Customer, or Project Sponsor paying Directly Assigned Upgrade Costs for a Creditable Upgrade.

W - Definitions

Western Area Power Administration-Upper Great Plains Region (“Western-UGP”):

A division of the Western Area Power Administration that markets and transmits Federal power from reservoir projects under the control of the Department of the Army or the U.S. Bureau of Reclamation. Western-UGP operates the WAUW Balancing Authority Area in the Western Interconnection, where certain of its transmission facilities are located. Western-UGP has transferred Federal transmission facilities in both the Eastern Interconnection and Western Interconnection to the functional control of the Transmission Provider.

Western Interconnection: A major alternating current power grid in North America. The Western Interconnection stretches from Western Canada south to Baja California in Mexico, reaching eastward over the Rockies to the Great Plains. Western Interconnection is comprised of the states of Washington, Oregon, California, Idaho, Nevada, Utah, Arizona, Colorado, Wyoming, portions of Montana, South Dakota, Nebraska, New Mexico and Texas in the United States, the Provinces of British Columbia and Alberta in Canada, and a portion of the Comisión Federal de Electricidad’s system in Baja California in Mexico.

Wholesale Distribution Service: The provision of service over a Transmission Owner’s Distribution Facilities necessary to effectuate Network Integration Transmission Service or Point-To-Point Transmission Service under this Tariff. To the extent such Wholesale Distribution Service is required; it shall be specified in the Service Agreement for the associated service being provided under the Tariff. The charges for Wholesale Distribution Service are described in Schedule 10.

III. NETWORK INTEGRATION TRANSMISSION SERVICE

Preamble

The Transmission Provider will provide Network Integration Transmission Service pursuant to the applicable terms and conditions contained in the Tariff and Service Agreement. Network Integration Transmission Service allows the Network Customer to integrate, economically dispatch and regulate its current and planned Network Resources to serve its Network Load in a manner comparable to that in which the Transmission Owners utilize the Transmission System to serve their Native Load Customers. Network Integration Transmission Service also may be used by the Network Customer to deliver economy energy purchases to its Network Load from non-designated resources on an as-available basis without additional charge. Transmission service for sales to non-designated loads will be provided pursuant to the applicable terms and conditions of Part II of the Tariff. The Transmission Provider shall recognize the requirements of the Federal Service Exemption to allow Western-UGP to meet its Statutory Load Obligations.

39.3 Participation by Western-UGP Subject to Federal Laws and Regulations

(a) Subject to Acts of Congress

The participation by the United States through Western-UGP in this Tariff is subject in all respects to acts of Congress and to regulations of the Secretary of Energy established thereunder, and to rate schedules promulgated by the Secretary of Energy. This reservation includes, but is not limited to, the statutory limitations upon the authority of the Secretary of Energy to submit disputes arising under this Tariff to arbitration. In the event of a conflict between these Federal participation provisions in Section 39.3 of this Tariff and any other provision of this Tariff, these Federal participation provisions shall have precedence with respect to the application of this Tariff to Western-UGP.

(b) Contingent Upon Appropriations and Authorization

Where activities provided for in this Tariff extend beyond the current fiscal year, continued expenditures by the United States through Western-UGP are contingent upon Congress making the necessary appropriations required for the continued performance of the obligations of the United States under this Tariff. In case such appropriation is not made, the Parties hereby release the United States from its contractual obligations under this Tariff and from all liability due to the failure of Congress to make such appropriation.

(c) Employment Practices; Contractor Agreement

For the purpose of this Federal participation provision, the term "Contract" shall mean this Tariff and the term "Contractor" shall mean a Party having transactions with Western-UGP. During the performance of this Contract, the Contractor agrees to the provisions set forth in Section 39.3 and its subdivisions. In addition, the Contractor will include the following provisions in every subcontract or purchase order involving Western-UGP unless exempted by rules, regulations, or order of the Secretary of Labor.

(i) Equal Opportunity Employment Practices

Section 202 of Executive Order No. 11246, 30 Fed. Reg. 12319 (1965), as amended by Executive Order No. 12086, 43 Fed. Reg. 46501 (1978), which provides, among other things, that the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, is incorporated by reference in the Contract by reference to same as if the specific language had been

written into the Contract, except that Indian Tribes and tribal organizations may apply Indian Preference to the extent permitted by federal law.

(ii) Contract Work Hours and Safety Standards

The Contract, to the extent that it is of a character specified in Section 103 of the Contract Work Hours and Safety Standards Act (“Act”), 40 U.S.C. § 3701, as amended or supplemented, is subject to the provisions of the Act, 40 U.S.C. § 3701-3708, as amended or supplemented, and to regulations promulgated by the Secretary of Labor pursuant to the Act.

(iii) Use of Convict Labor

The Contractor agrees not to employ any person undergoing sentence of imprisonment in performing the Contract except as provided by 18 U.S.C. § 3622(c), as amended or supplemented, and Executive Order No. 11755, 39 Fed. Reg. 779 (1973), as amended or supplemented.

(d) Western-UGP Co-supply Arrangement

If Western-UGP is a Network Customer and designates Network Load within Zone 19, or outside of the Transmission Provider’s Transmission System, the amount of Western-UGP’s Network Load shall be based upon its Statutory Load Obligations. Western-UGP’s Statutory Load Obligations to its customers are limited because it is not the full-requirements power supplier, except in certain limited cases, and therefore, Western-UGP generally does not serve the total load at a delivery point. The portion of load that exceeds Western-UGP’s obligation at a delivery point must be served by another transmission customer (“Co-Supplier”). A Co-Supplier to load in excess of Western-UGP’s Statutory Load Obligations shall be allowed to designate its portion of the total load at a delivery point as Network Load. In such case, that Co-Supplier’s Network Load shall be the total load at each delivery point less Western-UGP’s Statutory Load Obligations.

(e) Western-UGP Federal Service Exemption

The Federal Service Exemption applies to transmission of Federal Power-Western-UGP to the Statutory Load Obligations under this Tariff. Western-UGP was established on December 21, 1977, pursuant to Section 302 of the Department of Energy Organization Act, Public Law 95-91, dated August 4, 1977. By law, Western-UGP markets Federal Power-Western-UGP to meet its Statutory Load Obligations. Western-UGP’s transmission system was built primarily to enable the delivery of Federal power to satisfy these obligations. Use

of transmission facilities that Western-UGP owns, operates, or to which it has contract rights for delivery of Federal long-term firm capacity and energy to project use and firm electric service customers is a Western-UGP responsibility under the terms and conditions of marketing criteria and electric service contracts implementing Statutory Load Obligations to market Federal power. This is complementary with the provisions of transmission service under the Tariff. Capacity in transmission facilities provided by Western-UGP under this Tariff is solely for the use of Available Transfer Capability in excess of the capability Western-UGP requires for the delivery of long-term firm capacity and energy to Statutory Load Obligations. Western-UGP retains the Available Transfer Capability from its Federal Power-Western-UGP in the UMZ to deliver to its Statutory Load Obligations.

(i) Western-UGP shall be exempt from the Region-wide Charge associated with Western-UGP's delivery of Federal Power-Western-UGP to Statutory Load Obligations internal to the UMZ or external to the Transmission Provider. The Transmission Provider will not assess load served by Western UGP in the Western Interconnection for the Region-wide Charge, associated with transmission facilities in the Eastern Interconnection, to the extent that load that is located in the Western Interconnection is served only by resources in the Western Interconnection.

(ii) Western-UGP shall be exempt from congestion and marginal loss charges in accordance with Attachment AE of this Tariff for deliveries from Federal Power-Western-UGP resources across the UMZ to Western-UGP's Statutory Load Obligations. Western-UGP shall be responsible for providing the Transmission Provider real power losses for the energy delivered from the Federal Power-Western-UGP resources under the Federal Service Exemption across Zone 19 in accordance with Attachment M of this Tariff.

(f) Federal Projects

The individual hydroelectric projects from which the Western-UGP markets power and energy are owned and controlled by the Department of the Army or the U.S. Bureau of Reclamation. These projects are operated to satisfy multiple purposes such as irrigation, navigation, flood control, fish and wildlife, and recreation, as well as power production. Any operation of, and maintenance, modification or addition to such projects is subject to the requirements and express approval of either the Department of the Army or the U.S. Bureau of Reclamation. Western-UGP's transmission system is integrated at various

locations through switchyard facilities owned and operated by the Department of the Army or U.S. Bureau of Reclamation. Any operation of, and maintenance, modification, or addition to such facilities, including the funding of such activities, is subject to the requirements and express approval of the Department of the Army or U.S. Bureau of Reclamation. Western-UGP shall communicate and coordinate with the Department of the Army on any operation of, and maintenance, modification, or addition to the Department of the Army or the U.S. Bureau of Reclamation facilities as requested by the Transmission Provider; provided that compliance with the Transmission Provider's request shall be within the discretion of, and subject to the approval of, the Department of the Army or the U.S. Bureau of Reclamation. In the event the Transmission Provider requests changes to a hydroelectric generation facility due to redispatch, operation, maintenance or addition to hydroelectric generation owned and operated by the Department of the Army or U.S. Bureau of Reclamation and marketed by Western-UGP, Western-UGP shall coordinate its operations with the Department of the Army and U.S. Bureau of Reclamation to accommodate the Transmission Provider's request to the extent allowed by the Department of the Army or U.S. Bureau of Reclamation. Nothing in this section is intended to change the Department of the Army or U.S. Bureau of Reclamation obligations pursuant to their registration with NERC.

(g) Federal Projects as Designated Resources

The Federal Power-Western-UGP resources will be deemed to be eligible as Western-UGP Designated Resources.

(h) Transmission Expansion, Interconnections, Modifications, and Additions

As a Federal agency, Western-UGP must comply with various environmental and natural resource laws regulating the construction, operation and maintenance of its transmission facilities, including but not limited to the National Historic Preservation Act, 16 U.S.C. § 470 to 470x-6, the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321-4347 ("NEPA"), the Endangered Species Act, 16 U.S.C. §§ 1531-1544, and the Archaeological Resources Protection Act of 1979, 16 U.S.C. § 470aa-470mm (2006); and regulations and Executive Orders implementing these laws, as they may be amended or supplemented, as well as any other existing or subsequent applicable laws, regulations and Executive Orders. The Transmission Provider shall assist Western-UGP in complying with the environmental laws, regulations and resource protection measures that apply to Western-UGP for changes to the Western-UGP transmission facilities. Transmission expansion, interconnections, modifications and additions of, and or to, Western-UGP's transmission facilities are dependent on Western-UGP's

conclusions and decisions reached in the record of decision under NEPA, or other such appropriate NEPA document, concerning the respective project. Western-UGP's NEPA review could result in a decision not to take action or to delay action. Transmission Provider agrees to abide by such decision and it shall not be subject to the dispute resolution procedures of this Tariff.

(i) Advance Funding

In the absence of appropriated funds, Western-UGP requires advance deposit of funds when it is required to perform any work for third parties. As such, Western-UGP must receive an advance deposit of funds pursuant to Federal law prior to Western-UGP committing to perform any work pursuant to the Tariff.

(j) Liability

Western-UGP as a Transmission Customer as defined in Part I of this Tariff cannot indemnify, defend, and save harmless the Transmission Provider and Transmission Owner(s) pursuant to Section 10.3 of this Tariff due to the Antideficiency Act, 31 U.S.C. § 1341, et seq, as amended or supplemented. Western-UGP's liability as a Transmission Customer is instead determined in accordance with the Federal Tort Claims Act, 28. U.S.C. § 1346(b), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.

(k) Western-UGP Rate Review

Western-UGP's transmission service rates and revenue requirements shall only be reviewed in accordance with Delegation Order No. 00-037.00A from the Secretary of Energy to the Federal Power Marketing Agencies and the Commission, as superseded or amended, and in accordance with the regulations implementing the review authority found in 10 C.F.R. Part 903 and 18 C.F.R. Part 300, as superseded or amended.

(l) Inapplicability of Section 39.1 to a Federal Power Marketing Agency

Section 39.1 of this Tariff shall not apply to Western-UGP.

(m) No Expansion of Jurisdiction, Waiver Of Defenses, Liability For Penalties, Or Inconsistent Obligations

Western-UGP has not waived or conceded any defense it may have, including sovereign immunity, intergovernmental immunity, or lack of subject matter jurisdiction in any action against it by an Enforcement Authority, nor has Western-UGP accepted any liability, responsibility, or obligation to pay any civil monetary penalties or fines imposed by an Enforcement Authority to which it

would not have been subject in the absence of this Tariff. “Enforcement Authority” means the Commission, Electric Reliability Organization (ERO), or Regional Entities with enforcement authority pursuant to a delegation from an ERO or Commission for the purpose of proposing and enforcing reliability standards. The Transmission Provider does not concede or accept responsibility for any portion of a penalty or fine attributable to the actions or omissions of Western-UGP. The Transmission Provider will identify the amount of any penalty or fine that the Transmission Provider allocates to Western-UGP or that the Transmission Provider determines is attributable to Western-UGP and will identify that amount to FERC as uncollectable and not otherwise owed by the Transmission Provider.

39.4 Applicability to Rural Electric Cooperatives

The participation in this Tariff by a Transmission Owner that is an electric cooperative that receives financing under the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) is subject in all respects to the laws and regulations of the state of its creation and to rate schedules adopted by its governing board under state law. The Commission has exclusive jurisdiction to interpret the provisions of this Tariff and how the provisions apply to such entity. However, in the event that the governing board of such entity, subject to state court review, determines that a conflict exists between the applicable state law, regulations, or rate schedules, and provisions of this Tariff as interpreted by the Commission, such state law, regulations, or rate schedules shall govern with respect to the application of this Tariff to such entity. Should the governing board of such entity determine that such a conflict exists, the entity must file with the Commission such necessary documents notifying the Commission of the governing board's determination of such a conflict and explaining both the conflict (including what state law, regulations, or rate schedules and what Tariff provisions are at issue) and what actions the governing board is taking in response to that determination.

SCHEDULE 7
LONG-TERM FIRM AND SHORT-TERM FIRM POINT-TO-POINT TRANSMISSION
SERVICE

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges set forth below in addition to other applicable charges specified in the Tariff. All effective rates under this schedule shall be posted on the SPP OASIS.

1. Zonal Rates: The Transmission Customer shall pay the zonal rate (per kW of reserved capacity) based upon the Zone where the load is located for Firm Point-To-Point Transmission Service where the generation source is outside the SPP Region and the load is located within the SPP Region and for Firm Point-To-Point Transmission Service where both the generation source and the load are located within the SPP Region. For Firm Point-To-Point Transmission Service where the generation source is located within the SPP Region and the load is located outside of the SPP Region, and for Firm Point-To-Point Transmission Service where both the generation source and the load are located outside of the SPP Region, the Transmission Customer shall pay the zonal rate (per kW of reserved capacity) for the Zone interconnected with the Balancing Authority Area, external to the SPP Region, that is the designated Point of Delivery. Where there is more than one Zone interconnected with such Balancing Authority Area, the lowest zonal rate of the interconnected Zones is applicable. The zonal rates are stated in Attachment T.

The Zones are as follows:

- Zone 1: American Electric Power – West
- Zone 2: Reserved for Future Use
- Zone 3: City Utilities of Springfield, Missouri
- Zone 4: Empire District Electric Company
- Zone 5: Grand River Dam Authority
- Zone 6: Kansas City Power & Light Company
- Zone 7: Oklahoma Gas & Electric Company
- Zone 8: Midwest Energy, Inc.
- Zone 9: KCP&L Greater Missouri Operations Company
- Zone 10: Southwestern Power Administration

Zone 11:	Southwestern Public Service
Zone 12:	Sunflower Electric Cooperative
Zone 13:	Western Farmers Electric Cooperative
Zone 14:	Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy)
Zone 15:	Mid-Kansas Electric Company
Zone 16:	Lincoln Electric System
Zone 17:	Nebraska Public Power District
Zone 18:	Omaha Public Power District
Zone 19:	Upper Missouri Zone

No changes in Zones shall be made without submitting a filing to the Commission.

2. Caps: The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the weekly rate times the highest amount in kilowatts of Reserved Capacity in any day during such week.

3. Redispatch Costs: The redispatch costs shall be calculated in accordance with the formula and protocols shown on Attachment K.

4. Real Power Losses: The Transmission Customer shall be responsible for *real power* losses determined in accordance with Attachment M.

5. a. Direct Assignment Costs: Where a Facilities Study indicates the need to construct Direct Assignment Facilities to accommodate a request for Transmission Service, the Transmission Customer shall be charged the full cost of such Direct Assignment Facilities in addition to the charges specified in this Schedule and Tariff. The annual costs of the facility shall be calculated by multiplying the levelized fixed charge rate of the Transmission Owner by the nondepreciated cost of the facility. Each month the Transmission Customer shall pay a charge based on such annual costs divided by twelve. Any such charge will be filed with the Commission.

b. Directly Assigned Upgrade Costs: Where a Facilities Study indicates the need to construct Network Upgrades to accommodate a request for Transmission Service, the Transmission Customer may be allocated Directly Assigned Upgrade Costs in accordance with Attachments J and Z1. Any such charge will be filed with the Commission. The Transmission Customer shall be charged the higher of (i) the charges specified in Schedules 7 and 11 or (ii) the Directly Assigned Upgrade Costs. The Transmission Customer shall also be charged any

other applicable charges under the Tariff. If the Transmission Customer is charged the Directly Assigned Upgrade Costs, upon completion of construction of such assigned upgrades, the Transmission Provider shall reconcile the Directly Assigned Upgrade Costs against the actual construction costs. Based on the reconciliation, the Transmission Customer's cost responsibility shall be adjusted as appropriate.

6. Wholesale Distribution Service: Where Wholesale Distribution Service is provided to effectuate Firm Point-To-Point Transmission Service, the Transmission Customer shall pay all charges levied pursuant to the Wholesale Distribution Service Agreement and Schedule 10.

7. Base Plan Zonal Charges and Region-wide Charges: The Transmission Customer shall pay all charges assessed pursuant to Schedule 11 to the extent the revenue from such charges is not recovered by the Transmission Provider from the Transmission Customer pursuant to Section 5.b of this Schedule.

8. Resales: The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff.

SCHEDULE 8

NON-FIRM POINT-TO-POINT TRANSMISSION SERVICE

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth below in addition to other applicable charges specified in the Tariff. All effective rates under this schedule shall be posted on the SPP OASIS.

1. Zonal Rates: The Transmission Customer shall pay the zonal rate (per KW of reserved capacity) based upon the Zone where the load is located for Non-Firm Point-To-Point Transmission Service where the generation source is outside the SPP Region and the load is located within the SPP Region and for Non-Firm Point-To-Point Transmission Service where both the generation source and the load are located within the SPP Region. For Non-Firm Point-To-Point Transmission Service where the generation source is located within the SPP Region and the load is located outside of the SPP Region, and for Non-Firm Point-To-Point Transmission Service where both the generation source and the load are located outside of the SPP Region, the Transmission Customer shall pay the zonal rate (per KW of reserved capacity) for the Zone interconnected with the Balancing Authority Area, external to the SPP Region, that is the designated Point of Delivery. Where there is more than one Zone interconnected with such Balancing Authority Area, the lowest zonal rate of the interconnected Zones is applicable. The zonal rates are stated in Attachment T.

The Zones are as follows:

- Zone 1: American Electric Power – West
- Zone 2: Reserved for Future Use
- Zone 3: City Utilities of Springfield, Missouri
- Zone 4: Empire District Electric Company
- Zone 5: Grand River Dam Authority
- Zone 6: Kansas City Power & Light Company
- Zone 7: Oklahoma Gas & Electric Company
- Zone 8: Midwest Energy, Inc.
- Zone 9: KCP&L Greater Missouri Operations Company
- Zone 10: Southwestern Power Administration
- Zone 11: Southwestern Public Service

Zone 12:	Sunflower Electric Cooperative
Zone 13:	Western Farmers Electric Cooperative
Zone 14:	Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy)
Zone 15:	Mid-Kansas Electric Company
Zone 16:	Lincoln Electric System
Zone 17:	Nebraska Public Power District
Zone 18:	Omaha Public Power District
Zone 19:	Upper Missouri Zone

No changes in Zones shall be made without submitting a filing to the Commission.

2. Caps: The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the weekly rate times the highest amount in kilowatts of Reserved Capacity in any day during such week. The total demand charge in any day, pursuant to a reservation for Hourly delivery, shall not exceed the daily rate times the highest amount in kilowatts of Reserved Capacity in any hour during such day. In addition, the total demand charge in any week, pursuant to a reservation for Hourly or Daily delivery, shall not exceed the weekly rate above times the highest amount in kilowatts of Reserved Capacity in any hour during such week.

3. Redispatch Costs: The redispatch costs shall be calculated in accordance with the formula and protocols shown on Attachment K.

4. Discounts: The Transmission Provider may offer discounts under this Schedule. Three principal requirements apply to discounts for transmission service as follows: (1) any offer of a discount made by the Transmission Provider must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. For any discount agreed upon for service on a path, from Point(s) of Receipt to Point(s) of Delivery, the Transmission Provider must offer the same discounted transmission service rate for the same time period to all Eligible Customers on all unconstrained transmission paths that go to the same Point(s) of Delivery on the Transmission System. In offering discounts, the Transmission Provider's goal shall be to maximize transmission revenues.

4(a) Next-Hour-Market Service: The basic charge shall be that agreed upon by the Parties at the time this service is reserved and in no event shall exceed the applicable charges posted on OASIS. In the event that transmission service is curtailed or interrupted by the Transmission Provider, either acting directly or indirectly at the request of another transmission provider or a Security Coordinator, the Transmission Customer shall be charged only for that portion of the hour of actual transmission service used. The pro-rata portion must be agreed upon between the Transmission Provider and the Transmission Customer.

5. Real Power Losses: The Transmission Customer shall be responsible for *real power* losses determined in accordance with Attachment M.

6. Wholesale Distribution Service: Where Wholesale Distribution Service is provided to effectuate Non-Firm Point-To-Point Transmission Service, the Transmission Customer shall pay all charges levied pursuant to the Wholesale Distribution Service Agreement and Schedule 10.

7. Base Plan Zonal Charges and Region-wide Charges: The Transmission Customer shall pay all charges assessed pursuant to Schedule 11.

8. Resales: The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff.

SCHEDULE 9

NETWORK INTEGRATION TRANSMISSION SERVICE

The Transmission Customer shall compensate the Transmission Provider for Network Integration Transmission Service at the applicable charges set forth below in addition to other applicable charges specified in the Tariff.

1. Zonal Rates: The Transmission Customer taking Network Integration Transmission Service shall pay a monthly demand charge for the Zone where the load is located. Each month, the Transmission Customer shall pay the Transmission Provider the applicable monthly zonal Demand Charge, determined in accordance with Section 34.1. If a Transmission Customer has load in multiple Zones, the Transmission Customer shall pay the monthly demand charge for each Zone in which its load is located. For load not physically interconnected with the Transmission System designated as Network Load pursuant to Section 31.3, the Network Customer shall pay the zonal Demand Charge for the Zone interconnected with the Balancing Authority Area, external to the SPP Region, that is the designated Point of Delivery. For Network Customers in Zones 1 through 18 designating load external to the SPP Region, where there is more than one Zone interconnected with such Balancing Authority Area, the lowest zonal Demand Charge of the interconnected Zones is applicable. For Network Customers in Zone 19 designating load external to the SPP Region, where there is more than one Zone interconnected with such Balancing Authority Area, the zonal Demand Charge of Zone 19 is applicable. A Transmission Customer that is serving load on the Xcel Energy Operating Companies' transmission system taking Network Integration Transmission Service under the Xcel Energy Operating Companies' OATT and also takes transmission service under Part III of this Tariff to export over the Lamar Tie Line resources from the SPS Zone to serve load on the Public Service Company of Colorado (PSCo) transmission system shall have its zonal rate charges under this Schedule 9 reduced by 100%. A Transmission Customer that is serving load on the Xcel Energy Operating Companies' transmission system taking Network Integration Transmission Service under the Xcel Energy Operating Companies' OATT and also takes transmission service under Part III of this Tariff to import over the Lamar Tie Line resources to serve its load in the SPS Zone shall be subject to the applicable charges under this Schedule 9, without reduction. The Zonal Annual Transmission Revenue Requirement of each Zone is stated in Attachment H. Notwithstanding anything to the contrary in this Tariff, a Transmission

Owner taking Network Integration Transmission Service may elect not to pay (in whole or in part) the monthly demand charges specified in the preceding paragraph to the extent that the Transmission Owner would have received under Attachment L (revenue distribution) the amounts it seeks to not pay under this provision. A Transmission Owner electing this option shall remain obligated to pay any applicable charges for transmission services using any other Transmission Owner's facilities unless the transmission is provided pursuant to a Grandfathered Agreement (in which case compensation provisions under the Grandfathered Agreement control). A Transmission Owner electing this option shall remain responsible for any credits pursuant to Section 30.9 and for all other applicable charges under this Tariff. This election will only be effective through January 31, 2010.

The Zones are as follows:

- Zone 1: American Electric Power - West
- Zone 2: Reserved for Future Use
- Zone 3: City Utilities of Springfield, Missouri
- Zone 4: Empire District Electric Company
- Zone 5: Grand River Dam Authority
- Zone 6: Kansas City Power & Light Company
- Zone 7: Oklahoma Gas & Electric Company
- Zone 8: Midwest Energy, Inc.
- Zone 9: KCP&L Greater Missouri Operations Company
- Zone 10: Southwestern Power Administration
- Zone 11: Southwestern Public Service
- Zone 12: Sunflower Electric Cooperative
- Zone 13: Western Farmers Electric Cooperative
- Zone 14: Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy)
- Zone 15: Mid-Kansas Electric Company
- Zone 16: Lincoln Electric System
- Zone 17: Nebraska Public Power District
- Zone 18: Omaha Public Power District
- Zone 19: Upper Missouri Zone

No changes in Zones shall be made without submitting a filing to the Commission.

2. Redispatch Costs: The redispatch costs shall be calculated in accordance with the formula and protocols shown on Attachment K.

3. Real Power Losses: The Transmission Customer shall be responsible for *real power* losses determined in accordance with Attachment M.

4. a.) Direct Assignment Costs: Where a Facilities Study indicates the need to construct Direct Assignment Facilities to accommodate a request for Transmission Service, the Transmission Customer shall be charged the full cost of such Direct Assignment Facilities in addition to the charges specified in this Schedule and Tariff. The annual costs of the facility shall be calculated by multiplying the levelized fixed charge rate of the Transmission Owner by the nondepreciated cost of the facility. Each month the Transmission Customer shall pay a charge based on such annual costs divided by twelve. Any such charge will be filed with the Commission.

b.) Directly Assigned Upgrade Costs: Where a Facilities Study indicates the need to construct Network Upgrades to accommodate a request for Transmission Service, the Transmission Customer may be allocated Directly Assigned Upgrade Costs in accordance with Attachments J and Z1. Any such charge will be filed with the Commission. The Transmission Customer shall be charged the Directly Assigned Upgrade Costs in addition to the charges specified in this Schedule and any other applicable charges under this Tariff. If the Transmission Customer is charged the Directly Assigned Upgrade Costs, upon completion of construction of such assigned upgrades, the Transmission Provider shall reconcile the Directly Assigned Upgrade Costs against the actual construction costs. Based on the reconciliation, the Transmission Customer's cost responsibility shall be adjusted as appropriate.

5. Wholesale Distribution Service: Where Wholesale Distribution Service is provided to effectuate Network Integration Transmission Service, the Network Customer shall pay all charges levied pursuant to the Wholesale Distribution Service Agreement and Schedule 10.

6. Base Plan Zonal Charges and Region-wide Charges: The Transmission Customer shall pay all charges assessed pursuant to Schedule 11.

SCHEDULE 11

BASE PLAN ZONAL CHARGE AND REGION-WIDE CHARGE

I. Introduction

Except as provided herein, pursuant to Part V of this Tariff, Base Plan Zonal Charges and Region-wide Charges shall be assessed to Network Customers and, where applicable, Transmission Owners based on Resident Load. Likewise, Base Plan Zonal Charges and the Region-wide Charge shall be assessed to each Transmission Customer taking Point-To-Point Transmission Service under the Tariff based on Reserved Capacity. These charges will be applied only to service taken in whole or in part within the Eastern Interconnection. Western-UGP shall be exempt from the Region-wide Charge under this Schedule 11 in accordance with Section 39.3(e) of this Tariff. For the purpose of determining the Region-wide Load Ratio Shares for application of Schedule 11, transmission of Federal Power-Western-UGP to the Statutory Load Obligations served by Western-UGP shall be excluded from the Transmission Provider's monthly Zone transmission load for Zone 19 used as a component of the divisor for all Zones and from the numerator used for Zone 19. The charges stated in Schedule 11 shall not be changed absent a filing with the Commission.

II. Base Plan Zonal Charges and Region-wide Charge to Resident Load

A. Base Plan Zonal Charge to Resident Load

The Network Customer and the Transmission Owner shall pay a monthly Base Plan Zonal Charge, which shall be determined by multiplying its Base Plan Zonal Load Ratio Share by one twelfth (1/12) of the Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J for each Zone in which the Network Customer's or Transmission Owner's Resident Load is physically located. Where a Network Customer has designated Network Load not physically interconnected with the Transmission System under Section 31.3, Network Customer shall pay a monthly Zonal Base Plan Charge, which shall be determined by multiplying its Base Plan Zonal Load Ratio Share by one twelfth (1/12) of the Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J for the Zone that is the basis for charges under Schedule 11.

1. Determination of Network Customer's and Transmission Owner's Monthly Zonal Resident Load

The Network Customer's or Transmission Owner's monthly zonal Resident Load is its integrated hourly load coincident with the monthly peak of the Zone where the Resident Load is physically located. Where a Network Customer or Transmission Owner has Resident Load in more than one Zone, the monthly Resident Load will be determined separately for each Zone. Where a Network Customer has designated Network Load not physically interconnected with the Transmission System under Section 31.3, the Network Customer's monthly Resident Load will be its hourly load coincident with the monthly peak of the Zone that is the basis for charges under Schedule 11.

2. Determination of Transmission Provider's Monthly Zone Transmission Load

The Transmission Provider's monthly Transmission System load shall be determined in accordance with Section 34.5 of this Tariff.

B. Region-wide Charge to Resident Load

Network Customers and Transmission Owners shall pay a monthly Region-wide Charge, which shall be determined as (i) the product of its Region-wide Load Ratio Share applicable to Section I, Table 2-A of Attachment H and one twelfth (1/12) of the Region-wide Annual Transmission Revenue Requirement specified in Section I, Table 2-A of Attachment H, plus (ii) the product of its Region-wide Load Ratio Share applicable to Section I, Table 2-B of Attachment H and one twelfth (1/12) of the Region-wide Annual Transmission Revenue Requirement specified in Section I, Table 2-B of Attachment H.

1. Determination of Network Customer's and Transmission Owner's Monthly Regional Resident Load in Zones 1 through 18

For Zones 1 through 18, the Network Customer's or Transmission Owner's monthly regional Resident Load is the sum of its monthly zonal Resident Load for each Zone, where the monthly zonal Resident Load is determined separately for each Zone coincident with the monthly peak of the Zone in accordance with Section II.A.1.

2. Determination of Network Customer's and Transmission Owner's Monthly Regional Load in Zone 19

For application of the Region-wide Charge under this Schedule 11, the Network Customer's or Transmission Owner's load for Zone 19 shall be the integrated hourly load coincident with the monthly peak of Zone 19 calculated in accordance with Section II.A.1 less: (i) load in the Western Interconnection to the extent that such load is served only by resources in the Western Interconnection, and (ii) service provided under the Western-UGP Federal Service Exemption.

3. Determination of Transmission Provider's Monthly Regional Transmission System Load

The Transmission Provider's monthly regional Transmission System load is the sum of the monthly Zone transmission load for each Zone, where the monthly zone transmission load for each Zone is determined on a non-coincident basis in accordance with Section II.A.2, but with Zone 19 load modified in accordance with Section II.B.2.

C. Special Provision for Non-Federal Service Exemption service to Western-UGP's Statutory Load Obligations

Western-UGP's Statutory Load Obligations ordinarily served by Federal Power Western-UGP, may be served on occasion from resources where the Western-UGP Federal Service Exemption from Schedule 11 Region-wide Charges is not applicable. In any such instance, Region-wide Charges will be applied as calculated pursuant to Sections III.C.1.a and III.C.3 of this Schedule 11.

III. Base Plan Zonal Charge and Region-wide Charge for Point-To-Point Transmission Service

A. Base Plan Zonal Charge for Point-To-Point Transmission Service

The Base Plan Zonal Charge shall be assessed to Transmission Customers taking Firm or Non-Firm Point-To-Point Transmission Service under the SPP Tariff. The Transmission Customer shall pay the Base Plan Zonal Rate (per kW of Reserved Capacity) based upon the Zone where the load is located for Point-To-Point Transmission Service where the generation source is outside the SPP Region and the load is located within the SPP Region and for Point-To-Point Transmission Service where both the

generation source and the load are located within the SPP Region. For Point-To-Point Transmission Service where the generation source is located within the SPP Region and the load is located outside of the SPP Region, and for Point-To-Point Transmission Service where both the generation source and the load are located outside of the SPP Region, the Transmission Customer shall pay the Base Plan Average Zonal Rate (per kW of Reserved Capacity). The Base Plan Zonal Rates and the Base Plan Average Zonal Rate shall be calculated in accordance with Section III.D and set forth in the Revenue Requirements and Rates File (“RRR File”) posted on the SPP website.

B. Region-wide Charge for Point-To-Point Transmission Service

The Region-wide Charge shall be assessed to Transmission Customers taking Firm or Non-Firm Point-To-Point Transmission Service under the SPP Tariff. The Transmission Customer shall pay the Region-wide Rate (per kW of Reserved Capacity) for Point-To-Point Transmission Service. The Region-wide Rate shall be calculated in accordance with Section III.C and set forth in the RRR File posted on the SPP website.

C. Region-wide Rate for Point-To-Point Transmission Service

1. Determination of Annual Region-wide Rate

a. The Region-wide Annual Transmission Revenue Requirement specified in Attachment H are the basis for the Region-wide Rate. Except for service where the load is located within Zone 19, the annual Region-wide Rate for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula:

$$RR = \text{RATRR2A}/\text{MRTL 1 to 18} + \text{RATRR2B}/\text{MRTL}$$

in which

RR = the annual Region-wide Rate

RATRR2A = the Region-wide Annual Transmission Revenue Requirement specified in Table 2-A of Section I, Attachment H

RATRR2B = the Region-wide Annual Transmission Revenue Requirement specified in Table 2-B of Section I, Attachment H

MRTL 1 to 18 = the average of the monthly regional Transmission System loads in Zones 1 to 18 only, for the twelve months of the calendar year prior to the billing year. The monthly regional Transmission System load shall be determined in

accordance with Section II.B.3 less the Zone 19 load modified in accordance with Section II.B.2.

MRTL = the average of the monthly regional Transmission System loads, for the twelve months of the calendar year prior to the billing year. The monthly regional Transmission System load is determined in accordance with Section II.B.3.

b. For service where the load is located within Zone 19, the annual Region-wide Rate for Firm Point-to-Point Transmission Service shall be determined in accordance with the following formula:

$$RR19 = RATTR2B / MRTL$$

in which

RR19= the annual Region-wide Rate applicable to load in Zone 19

RATTR2B= as defined above

MRTL= as defined above

2. Region-wide Rate for Firm Point-To-Point Transmission Service

The Region-wide Rate for Firm Point-To-Point Transmission Service shall be:

Per month = annual Region-wide Rate divided by 12;

Per week = annual Region-wide Rate divided by 52;

Per day “on-peak” = the “per week” Region-wide Rate divided by 5; provided that the rate for 5 to 7 consecutive days may not exceed the “per week” Region-wide Rate; and

Per day “off-peak” = the “per week” Region-wide Rate divided by 7.

3. Region-wide Rate for Non-Firm Point-To-Point Transmission Service

The Region-wide Rate for Non-Firm Point-To-Point Transmission Service shall be:

Per month = annual Region-wide Rate divided by 12;

Per week = annual Region-wide Rate divided by 52;

Per day “on-peak” = the “per month” Region-wide Rate multiplied by 12 then divided by 260;

Per day “off-peak” = the “per month” Region-wide Rate multiplied by 12 then divided by 365;

Per hour “on-peak” = the “per month” Region-wide Rate multiplied by 12 then divided by 4160; and

Per hour “off-peak” = the “per month” Region-wide Rate multiplied by 12 then divided by 8760.

4. Total Region-wide Charge

The total Region-wide Charge paid by a Transmission Customer pursuant to a reservation for hourly delivery shall not exceed the above on-peak daily rate multiplied by the highest amount of Reserved Capacity in any hour during such day. The total Region-wide Charge in any week, pursuant to a reservation for hourly or daily delivery, shall not exceed the above Region-wide Rate specified for weekly delivery multiplied by the highest amount of Reserved Capacity in any hour during such week.

5. Rate Sheet for Region-wide Point-To-Point Transmission Service

Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges set forth in the (“RRR File”) posted on the SPP website.

Non-Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth in the RRR File posted on the SPP website.

D. Base Plan Zonal Rates for Point-To-Point Transmission Service

1. Determination of Annual Base Plan Zonal Rate

The Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J is the basis for the Base Plan Zonal Rates. The annual Base Plan Zonal Rates for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula for each Zone.

$$\text{BPZR} = \text{BPZATRR/MZTL}$$

in which

$$\text{BPZR} = \text{the annual Base Plan Zonal Rate for the Zone}$$

BPZATRR = the Base Plan Zonal Annual Transmission Revenue Requirement for the Zone as specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J

MZTL = the average of the sum of the monthly Zone transmission load for the Zone for the twelve months of the calendar year prior to the billing year. The monthly Zone transmission load is determined in accordance with Section II.A.2.

2. Base Plan Zonal Rate for Firm Point-To-Point Transmission Service

The Base Plan Zonal Rate for Firm Point-To-Point Transmission Service for each Zone shall be:

Per month = annual Base Plan Zonal Rate for the Zone divided by 12;

Per week = annual Base Plan Zonal Rate for the Zone divided by 52;

Per day “on-peak” = the “per week” Base Plan Zonal Rate for the Zone divided by 5; provided that the rate for 5 to 7 consecutive days may not exceed the “per week” Base Plan Zonal Rate;

Per day “off-peak” = the “per week” Base Plan Zonal Rate for the Zone divided by 7.

3. Base Plan Zonal Rate for Non-Firm Point-To-Point Transmission Service

The Base Plan Zonal Rate for Non-Firm Point-To-Point Transmission Service for each Zone shall be:

Per month = annual Base Plan Zone Rate for the Zone divided by 12;

Per week = annual Base Plan Zonal Rate for the Zone divided by 52:

Per day “on-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 260;

Per day “off-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 365;

Per hour “on-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 4160; and

Per hour “off-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 8760.

4. Base Plan Average Zonal Rate

The total Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H for all Zones less the total of all zonal amounts reallocated in accordance with Section IV.A of Attachment J is the basis for the Base Plan Average Zonal Rate. The annual Base Plan Average Zonal Rate for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula.

$$\text{BPAZR} = \text{TBPZATTRR/MRTL}$$

in which

BPAZR = the annual Base Plan Average Zonal Rate

TBPZATTRR = the total Base Plan Zonal Annual Transmission Revenue Requirement for all Zones as specified in Attachment H less the total of all zonal amounts reallocated in accordance with Section IV.A of Attachment J

MRTL = as defined in Section III.C.1

The Base Plan Average Zonal Rates for Firm Point-To-Point Transmission Service and Non-Firm Point-To-Point Transmission Service for each month, week, day on-peak, day off-peak, hour on-peak, and hour off-peak shall be based on the annual Base Plan Average Zonal Rate and calculated consistently with the formulas shown in Sections III.D.2 and III.D.3.

5. Total Zonal Base Plan Charge

The total zonal charge paid by a Transmission Customer under this Schedule 11 pursuant to a reservation for hourly delivery shall not exceed the applicable on-peak daily rate multiplied by the highest amount of Reserved Capacity in any hour during such day. The total zonal charge under this Schedule 11 in any week, pursuant to a reservation for hourly or daily delivery, shall not

exceed the applicable rate specified for weekly delivery multiplied by the highest amount of Reserved Capacity in any hour during such week.

**6. Rate Sheets for Base Plan Zonal Point-To-Point Transmission Service
Firm Point-To-Point Transmission Service**

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges set forth in the RRR File posted on the SPP website.

Non-Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth in the RRR File posted on the SPP website.

E. On-Peak and Off-Peak

Off-Peak days shall be Saturdays and Sundays and all NERC holidays. All other days shall be On-Peak. All hours during Off-Peak days shall be Off-Peak. On-Peak hours during On-Peak days shall be all hours from HE 0700 through HE 2200 Central Prevailing Time. All other hours during On-Peak days shall be Off-Peak.

SCHEDULE 12

FERC ASSESSMENT CHARGE

1. INTRODUCTION

As a public utility, the Transmission Provider is subject to annual charges assessed by the Commission, pursuant to Part 382 of its regulations (the “FERC Assessment”). For each public utility, such assessment is based on the actual megawatt-hours of energy transmitted in interstate commerce during a calendar year, as reported on FERC Form 582. This Schedule 12 provides for recovery of the estimated amount to be assessed by the Commission in the next year for transmission service provided in the current year, with subsequent true-up to actual cost, when such cost is known.

2. APPLICABILITY

Except as provided herein, this charge shall apply to energy delivered under Point-To-Point Transmission Service and Network Integration Transmission Service and to energy delivered to Bundled Retail and Grandfathered Loads to which Section 39.1 of this Tariff applies. Pursuant to 18 C.F.R § 382.201(a), the calculation of the FERC Assessment does not include the costs of regulating the Federal Power Marketing Agencies. Therefore, charges under this Schedule 12 shall not be assessed with respect to transmission service provided to Western-UGP for its Statutory Load Obligations.

3. RATE CHARGED

The charge factor developed by the Commission in the prior calendar year and applied to energy transmitted in the second prior calendar year shall be applied monthly to all energy delivered under Point-To-Point Transmission Service, Network Integration Transmission Service, and to all energy delivered to Bundled Retail and Grandfathered Loads to which Section 39.1 applies in that month.

Transmission Provider shall also include in its bills a True-Up Rate. The True-Up Rate shall be the amount of the Commission assessment billed to the Transmission Provider less the total revenue collected by the Transmission Provider under this Schedule 12 for the second prior

year, divided by estimated energy to be transmitted during the current year for all energy delivered under Point-To-Point Transmission Service, Network Integration Transmission Service, and to all energy delivered to Bundled Retail and Grandfathered Loads to which Section 39.1 applies. For the first two years that this FERC Assessment Charge is effective, the True-Up rate shall be zero.

4. BILLING

Transmission Provider shall bill Transmission Customers and Transmission Owners covered by Section 39.1 the charges specified under this Schedule in accordance with the procedures in Section 7 of this Tariff.

ATTACHMENT H
ANNUAL TRANSMISSION REVENUE REQUIREMENT FOR NETWORK
INTEGRATION TRANSMISSION SERVICE

SECTION I: General Requirements

1. The Zonal Annual Transmission Revenue Requirement (“Zonal ATRR”) for each Transmission Owner for purposes of determining the charges under Schedule 9, Network Integration Transmission Service, is specified in Column (3) Section I, of Table 1. The Base Plan Zonal Annual Transmission Revenue Requirement (“Base Plan Zonal ATRR”) used to determine the zonal charges under Schedule 11 for Base Plan Upgrades issued a Notification to Construct (“NTC”) prior to June 19, 2010 is specified in Column (4) Section I, of Table 1. The Base Plan Zonal ATRR used to determine the zonal charges under Schedule 11 for Base Plan Upgrades issued an NTC on or after June 19, 2010 is specified in Column (5) of Section I, Table 1. The amount of Zonal ATRR and Base Plan Zonal ATRR that is included in Columns (3), (4), (5), and (7) and reallocated to the Region-wide Annual Transmission Revenue Requirement (“Region-wide ATRR”), in accordance with Attachment J, is specified in Column (6) of Section I, Table 1. The Base Plan Zonal ATRR to pay Upgrade Sponsors in accordance with Attachment Z2 is specified in Column (7) of Section I, Table 1.

Table 1
(See Note A below)

(1) Zone	(2)	(3) Zonal ATRR	(4) Base Plan Zonal ATRR	(5) Base Plan Zonal ATRR after June 19, 2010	(6) ATRR Reallocated to Balanced Portfolio Region- wide ATRR	(7) Base Plan Zonal ATRR to pay Upgrade Sponsors
1	American Electric Power –West (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File

1a	American Electric Power (Public Service Company of Oklahoma and Southwestern Electric Power Company) See Section II.3	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File			
1b	East Texas Electric Cooperative, Inc.	\$2,733,879				
1c	Tex-La Electric Cooperative of Texas, Inc.	\$588,874				
1d	Deep East Texas Electric Cooperative, Inc.	\$428,131				
1e	Oklahoma Municipal Power Authority	\$748,647				
1f	AEP West Transmission Companies (AEP Oklahoma Transmission Company, Inc and AEP Southwestern Transmission Company, Inc)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
1g	Coffeyville Municipal Light and Power (CMLP)	\$391,790	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
2	Reserved for Future Use					

3	City Utilities of Springfield, Missouri	\$8,651,509	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
4	Empire District Electric Company	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
5	Grand River Dam Authority	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
6	Kansas City Power & Light Company	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
7	Oklahoma Gas and Electric (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
7a	Oklahoma Gas and Electric	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
7b	Oklahoma Municipal Power Authority	\$368,501	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
8	Midwest Energy, Inc.	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
9	KCP&L Greater Missouri Operations Company (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
9a	KCP&L Greater Missouri Operations Company	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
9b	Transource Missouri, LLC	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
10	Southwestern Power Administration	\$15,533,800	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
11	Southwestern Public Service Company (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File

11a	Southwestern Public Service Company	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
11b	Tri-County Electric Cooperative	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
11c	Lea County Electric Cooperative, Inc.	\$388,000	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
12	Sunflower Electric Power Corporation	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
13	Western Farmers Electric Cooperative	\$20,719,639	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
14	Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy) (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
14a	Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
14b	Prairie Wind Transmission, LLC.	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
14c	Kansas Power Pool	\$350,243	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
15	Mid-Kansas Electric Company (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
15a	Mid-Kansas Electric Company	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
15b	ITC Great Plains	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
15c	Prairie Wind Transmission, LLC.	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File

16	Lincoln Electric System	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
17	Nebraska Public Power District	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
18	Omaha Public Power District	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
19	Upper Missouri Zone – Total	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
19a	Western-UGP	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
19b	Basin Electric Power Cooperative	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
19c	Heartland Consumers Power District	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
20	Total				See Att. H tab, posted RRR File	See Att. H tab, posted RRR File

Note A: The Annual Transmission Revenue Requirements (“ATRR”) for each Zone are set forth in the Revenue Requirements and Rates File (“RRR File”) posted on the SPP website.

2. Table 2-A specifies the Region-wide ATRR for Network Upgrades needed prior to October 1, 2015 and Table 2-B specifies the Region-wide ATRR for Network Upgrades needed on or after October 1, 2015. The Region-wide ATRR, shown in Line 8 of Section I, Table 2-A, shall be the sum of (i) the Base Plan Region-wide Annual Transmission Revenue Requirements (“Base Plan Region-wide ATRR”) (reflected in Line 1 and Line 2), (ii) the total Balanced Portfolio Region-wide Annual Transmission Revenue Requirements (“Balanced Portfolio Region-wide ATRR”) (reflected in Line 3 and Line 4), (iii) for transmission service beginning prior to October 1, 2015, the Base Plan Region-wide ATRR to pay Upgrade Sponsors as determined in accordance with

Attachment Z2 of this Tariff (reflected in Line 5), and (iv) *the Interregional Planning Region Annual Transmission Revenue Requirements (“Interregional Planning Region ATRR”)* allocable to customers receiving transmission service under this Tariff for any *Interregional Project(s) constructed within the SPP Region (Line 6) and/or within other Interregional Planning Regions (Line 7)*.

The Region-wide ATRR shown in Line 6 of Section I, Table 2-B, shall be the sum of (i) the Base Plan Region-wide ATRR (reflected in Line 1 and Line 2), (ii) the total Balanced Portfolio Region-wide ATRR (reflected in Line 3 and Line 4) and (iii) for transmission service beginning on or after October 1, 2015, the Base Plan Region-wide ATRR to pay Upgrade Sponsors as determined in accordance with Attachment Z2 of this Tariff (reflected in Line 5).

As described in Schedule 11, the Region-wide Charges for Zones 1 through 18 shall be based upon Line 6 of Table 2-A and Line 6 of Table 2-B. The Region-wide Charges for Zone 19 shall be based upon Line 6 of Table 2-B.

Table 2-A
(See Note B below)

1	Base Plan Region-wide ATRR (NTC prior to June 19, 2010)	See Att. H tab, posted RRR File
2	Base Plan Region-wide ATRR (NTC on or after June 19, 2010)	See Att. H tab, posted RRR File
3	Total ATRR reallocated to Balanced Portfolio Region-wide ATRR from Column (6), Section I, Table 1	See Att. H tab, posted RRR File
4	Balanced Portfolio Region-wide ATRR	See Att. H tab, posted RRR File
5	Base Plan Region-wide ATRR to pay Upgrade Sponsors	See Att. H tab, posted RRR File
6	<i>SPP Interregional Planning Region ATRR</i>	<i>See Att. H tab, posted RRR File</i>
7	<i>Other Interregional Planning Region ATRR</i>	<i>See Att. H tab, posted RRR File</i>
8	Region-wide ATRR (<i>Sum of Lines 1 through 7</i>)	See Att. H tab, posted RRR File

Table 2-B
(See Note B below)

1	Base Plan Region-wide ATRR (NTC prior to June 19, 2010)	\$0
2	Base Plan Region-wide ATRR (NTC on or after June 19, 2010)	See Att. H tab, posted RRR File
3	Total ATRR reallocated to Balanced Portfolio Region-wide ATRR from Column (6), Section I, Table 1	See Att. H tab, posted RRR File
4	Balanced Portfolio Region-wide ATRR	See Att. H tab, posted RRR File
5	Base Plan Region-wide ATRR to pay Upgrade Sponsors	See Att. H tab, posted RRR File
6	Region-wide ATRR (Line 1 + Line 2 + Line 3 + Line 4 + Line 5)	See Att. H tab, posted RRR File

Note B: The Region-wide ATRRs are set forth in the RRR File posted on the SPP website.

3. A Transmission Owner's revenue requirement referenced or stated in this Attachment H shall not be changed absent a filing with the Commission, accompanied by all necessary cost support, unless such Transmission Owner utilizes Commission-approved formula rate processes contained in this Tariff to determine its revenue requirements.
4. A new or amended revenue requirement referenced or stated in this Attachment H shall not be filed with the Commission by the Transmission Provider unless such revenue requirements have been provided by or for a Transmission Owner. Such revenue requirements shall have been accepted or approved by the applicable regulatory or governing authority except in the event of a simultaneous filing with the Commission by the Transmission Owner and Transmission Provider.
5. If a Transmission Owner has a Commission-approved formula rate, the successful completion of its approved annual formula rate update procedures shall constitute regulatory acceptance sufficient to authorize the Transmission Provider to update that Transmission Owner's revenue requirements posted on the SPP website. Such update by the Transmission Provider shall not require a filing with the Commission, provided that the Transmission Owner posts the populated formula rate for public review and comment as required under the applicable protocols and/or procedures contained in this Attachment

- H. The Transmission Provider shall follow any special procedures related to updating a Transmission Owner's revenue requirements as outlined in Section II of this Attachment.
6. The Transmission Provider shall allocate the accepted or approved revenue requirement associated with a Base Plan Upgrade, in accordance with Attachment J to this Tariff, to the Base Plan Region-wide ATRRs in Section I, Table 2-A and Table 2-B above and to the appropriate Base Plan Zonal ATRR in Column (4) or (5) in Section I, Table 1.

SECTION II: Transmission Owner-Specific Requirements

1. Westar Energy, Inc.

For Westar Energy, Inc., the ATRR for purposes of the Network Integration Transmission Service shall be calculated using the rate formula set forth in Attachment H Addendum 3 of this Tariff ("Westar Formula Rate"). The results of the formula calculation shall be posted on the Transmission Provider's website and in an accessible location on Westar's OASIS website by October 15 of each calendar year and shall be effective on January 1 of the following year. The Zonal Revenue Requirement to be used for the Westar zone, Column (3) of Section I, Table 1 of this Attachment H, shall be calculated by taking the SPP Zonal Revenue Requirement as identified on the Projected Net Revenue Requirements page, line 10 of the Westar Formula Rate; less the sum of the current year's revenue requirement associated with all transmission facilities owned by Westar in other pricing zones when such revenue requirements are included in the revenue requirements specified in the Westar Formula Rate on the Projected Net Revenue Requirements page, line 10; plus the previous calendar year's total firm Point-To-Point transmission revenue allocated to Westar under Attachment L provided such Point-to-Point transmission revenue is deducted from Westar's ATRR under Section 34.1 of this Tariff.

The revenue requirements for Base Plan Funded projects owned by Westar shall be the amount contained on the Projected Net Revenue Requirements page, line 9 of the Westar Formula Rate.

The revenue requirements for Balanced Portfolio funded projects owned by Westar shall be the amount contained on the Projected Net Revenue Requirements page, line 9a of the Westar Formula Rate. Following its posting of the updated revenue requirements by October 15 of each calendar year as discussed above, the Transmission Provider shall immediately update the various Base Plan and Balanced Portfolio funded costs and allocations contained in the Tariff and file them with the Commission no later than December 15 of each calendar year with a requested effective date of January 1.

2. Southwestern Public Service Company

For Southwestern Public Service Company (“SPS”), the Existing Zonal ATRR for Zone 11 in Column (3), of Section I, Table 1 of this Attachment H shall be calculated using: (1) the formula rate as specified in Attachment O – SPS of the Xcel Energy Operating Companies Joint Open Access Transmission Tariff (“Xcel Energy OATT”), (2) will be equal to the Current Year Revenue Requirement with True Up as specified on line 6, page 1 of Attachment O – SPS of the Xcel Energy OATT, (3) and subject to the Implementation Procedures in Appendix 1 of Attachment O – SPS of the Xcel Energy OATT. The results of the formula calculation shall be posted on the SPP website and in an accessible location on SPS’s OASIS website by October 1 of each calendar year and shall be effective on January 1 of the following year. The Existing Zonal ATRR for Zone 11, in Column (3), Section I, Table 1 of this Attachment H shall not be subject to adjustment pursuant to section 34.1 for the previous calendar year’s total firm Point-to-Point transmission revenue allocated to SPS under Attachment L when determining the monthly zonal Demand Charge for Zone 11.

3. American Electric Power

The American Electric Power ATRR for purposes of the Network Integrated Transmission Service shall be (i) calculated using the formula rate set forth in Addendum 1 to this Attachment H, (ii) posted on the SPP website by May 25 of each calendar year, and (iii) effective on July 1 of such year.

4. Nebraska Public Power District: Formula Rate Implementation Protocols and Formula Rate Template

Section 1. Annual Updates

The Formula Rate Template set forth in Addendum 7 and these Formula Rate Implementation Protocols (“Protocols”) together comprise the filed rate by Southwest Power Pool (“SPP”) for calculating Nebraska Public Power District’s (“NPPD”) Zonal ATRR for Transmission Service under the SPP OATT. NPPD must follow the instructions specified in the Formula Rate Template to calculate the rates for NITS, the rates for Schedule 1 Service, the rates for Point-to-Point services over facilities in SPP Zone 17 and the ATRR for Base Plan Upgrades and other network upgrades.

The initial Zonal ATRR and the initial rates will be in effect for a partial year from the effective date of NPPD’s transfer of operational control of its transmission facilities to SPP until December 31, 2009. The Formula Rate shall be recalculated each year with the resulting rates to become effective on and after January 1 of each year through December 31 of such year. The resulting rates implemented each January 1 will be subject to review and true-up as further provided in the Protocols.

No later than September 1, 2009 and September 1 of each year thereafter, NPPD, upon initial approval of NPPD’s Board of Directors, shall determine its projected Zonal ATRR, and resulting rates for the following calendar year, in accordance with the Protocols and the Formula Rate Template of Addendum 7 of this Attachment H. NPPD will post such determination on its website and will send such determination to SPP for posting on the publicly accessible portion of the SPP website. Contemporaneously, NPPD shall provide notice to its wholesale customers and interested parties of its projected Zonal ATRR and resultant rates, including all inputs in sufficient detail to identify the components of NPPD’s Zonal ATRR. Commencing September 1 of each year, such parties may submit

written questions and answers will be provided by NPPD within ten (10) business days. NPPD will post on the NPPD website responses to any such inquiries and information regarding frequently asked questions. No later than September 30 of each year, NPPD will hold a meeting with wholesale customers and interested parties to explain the formula rate input projections and provide an opportunity for oral and written comments. Written comments must be submitted no later than October 30. No later than December 15 of each year, NPPD will provide to SPP for posting on the publicly accessible portion of the SPP website NPPD's final Zonal ATRR and resulting rates to become effective January 1 of the following calendar year.

Section 2. True-Up Adjustments

On or before June 1, 2010 and on or before June 1 of each year thereafter, NPPD will calculate the True-Up Adjustment with supporting data inputs in sufficient detail to identify the projected and actual cost of each element of NPPD's Zonal ATRR and actual revenues. NPPD will reflect the True-Up Adjustment as a line item in its Zonal ATRR noticed on September 1, 2010 and in the ATRR noticed on September 1 of each year thereafter. The True-Up Adjustment will be determined in the following manner:

- (1) Actual transmission revenues associated with transactions included in the Divisor of the Formula Rate Template for the previous calendar year will be compared to the Actual Zonal ATRR. The Actual Zonal ATRR shall be calculated in accordance with the Formula Rate Template and actual data for the previous year. For each year, NPPD will complete and make available for review, on its website, actual data as recorded in accordance with FERC's Uniform System of Accounts, including an affidavit of the Chief Financial Officer of NPPD attesting to the accuracy of the cost and revenue data set forth therein. In addition, NPPD shall provide an explanation of any change in accounting policies and practices that NPPD employed during the preceding twelve-month period that affect

transmission accounts or the allocation of common costs to transmission. Actual costs incurred during the applicable calendar year will be compared to actual revenues recovered during such period to determine whether there was any under-recovery or over-recovery. The True-Up Adjustment and related calculations shall be posted no later than June 1 on NPPD's website and on the publicly accessible portion of the SPP website. Commencing June 1 of each year, any interested party may submit written questions and answers will be provided by NPPD within ten (10) business days. NPPD will post on the NPPD website responses to any such inquiries and information regarding frequently asked questions. Written comments must be submitted no later than July 15 of each year. NPPD will post on the NPPD website the final True-Up Adjustment no later than September 1 of each year.

- (2) Interest on any over-recovery or under-recovery of the Zonal ATRR shall be based on the interest rate equal to NPPD's actual short-term debt costs, capped at the applicable interest rate set forth in 18 C.F.R. §35.19a of the Commission's regulations. The interest rate equal to NPPD's actual short-term debt costs shall be calculated in accordance with Worksheet K to the Formula Rate Template.
- (3) The Zonal ATRR for transmission services for the following year shall be the sum of the projected Zonal ATRR for the following year and a True-Up Adjustment for the previous year, including interest as explained above.

Section 3. NPPD Formula Rate Blank Template

NPPD's Formula Rate Template to be used for calculating the Zonal ATRR and NITS rates, Schedule 1 rates, Point-to-Point rates, ATRR Base Plan Upgrade and other network upgrades set forth in Attachment H – Addendum 7. The provisions of such Formula Rate Template are not subject to changes except through a filing under Section 205 or 206 of the Federal Power Act.

5. Omaha Public Power District

For the Omaha Public Power District (“OPPD”), the ATRR for purposes of the Network Integration Transmission Service, Base Plan Upgrades, Scheduling, System Control, and Dispatch Service, and for the determination of Point-to-Point rates shall be calculated using the Formula-based Rate Template set forth in Attachment H - Addendum 8 of this Tariff. The ATRR and rates calculated pursuant to the formula-based rate template shall be revised annually. The results of such annual calculations shall be posted on OPPD’s OASIS website and in a publically accessible location on the Transmission Provider’s website by May 15 of each calendar year. Written comments will be accepted until June 15 and the annual revenue requirement and rates shall become effective from August 1 of such year through July 31 of the following year. Initially, the rates calculated pursuant to the formula-based rate template and incorporated into this SPP OATT will be in place through July 31, 2009.

6. Lincoln Electric System

For the Lincoln Electric System (“LES”), ATRR of Network Integration Transmission Service, Base Plan Upgrades, Scheduling, System Control and Dispatch Service, and for the determination of Point-to-Point rates shall be calculated using the forward-looking Formula Rate Template set forth in Attachment H - Addendum 6 of this Tariff. The ATRR and rates calculated pursuant to the forward-looking formula rate template shall be revised annually. The results of such annual calculations shall be posted on LES’ public page of the SPP OASIS website by October 31 of each calendar year. Customers will be given an opportunity to ask questions by November 30 and to seek information regarding the calculations. Written comments will be accepted until November 15. The annual revenue requirement and rates derived therefrom shall become effective from January 1 through December 31 of the following year. Initially, the rates calculated pursuant to the historical formula based rate template and incorporated into this SPP OATT will be in place through December 31, 2012. Rates calculated pursuant to the forward-looking formula rate template and incorporated into this SPP OATT will be in place through December 31, 2013.

1. Actual Net Revenue Requirement (calculated in accordance with page 1, line 7 of Attachment H, Addendum 6) for the previous year shall be compared to the projections made for that same year (True-Up Year) to determine any excess or shortfall in the projected revenue requirement that was used for billing purposes in the True-Up Year. In addition, actual divisor loads (based on a 12 CP average) will be compared to projected divisor loads (page 1, line 10 of Attachment H, Addendum 6) and the difference multiplied by the rate actually billed to determine any excess or shortfall in collection due to volume. The sum of the excess or shortfall due to the actual versus projected revenue requirement and the excess or shortfall due to volume shall constitute the True-up Adjustment. The True-up Adjustment and related calculations shall be posted to the Transmission Provider's public webpage of the SPP OASIS website no later than June 1. LES will provide an explanation of the True-up Adjustment in response to customer inquiries and will post on its public page of the SPP OASIS website information regarding frequently asked questions.
2. Interest on any over recovery of the net revenue requirement or any over recovery due to volume changes shall be determined based on the Commission's regulation at 18 C.F.R. § 35.19a. Interest on any under recovery of the net revenue requirement or any under recovery due to volume changes shall be determined using the interest rate equal to LES's actual short-term debt costs capped at the applicable FERC refund interest rate. In either case, the interest payable shall be calculated using an average interest rate for the twenty-four (24) months during which the over or under recovery in the revenue requirement or volume changes exists. The interest rate to be applied to the over or under recovery amounts will be determined using the average rate for the nineteen (19) months preceding August of the current year. The interest amount (page 1, line 6e of Attachment H, Addendum 6) will be included in the projected costs made available October 31.

3. The Net Revenue Requirement for transmission services for the following year shall be the sum of the projected revenue requirement for the following year (page 1, line 1 of Attachment H, Addendum 6) minus Total Transmission Revenue Credits (page 1, line 5 of Attachment H, Addendum 6), plus or minus the True-up Adjustment (page 1, line 6c minus line 6d plus line 6e of Attachment H, Addendum 6) from the previous year, if any, including interest, as explained.
4. Example True-up of 2012 Net Revenue Requirement
 - 2012 Projected Net Revenue Requirement was \$20,000,000, projected load was 500,000 kW and the resulting rate was \$40.0000 per kW-year.
 - 2012 Actual Net Revenue Requirement was \$19,500,000, actual 12 CP load was 475,000 kW resulting in a rate of \$41.0526 per kW-year.
5. True-Up Calculation
 - There is an over recovery of the net revenue requirement equal to \$500,000 ($\$20,000,00 - \$19,500,000 = \$500,000$).
 - There is a \$1,000,000 shortfall in revenue collection due to volume ($(500,000 \text{ kW} - 475,000 \text{ kW}) \times \$40.00 \text{ per kW-year} = \$1,000,000$).
 - The total True-up Adjustment amount would be a net under recovery of \$500,000 ($\$500,000 \text{ (over recovery)} - \$1,000,000 \text{ (shortfall)} = -\$500,000 \text{ (shortfall)}$).
6. Interest on True-up Adjustment

Interest will be applied to the True-up Adjustment for the twenty-four (24) months during which the under recovery existed, from January 1, 2012 through December 31, 2013. The interest rate applied will be Lincoln Electric System's average monthly short-term debt interest rate, capped at the FERC refund interest rate, in effect January 1, 2012 through July 31, 2013.
7. Informational Posting

Lincoln Electric System will post all information relating to the True-up Adjustment no later than June 1, 2014, affording interested parties at least seven months to review these calculations in advance of the related January 1 rate change. LES will provide an explanation of the True-up Adjustment

amounts in response to customer inquiries and will post on the OASIS information regarding frequently asked questions. This True-up Adjustment with interest will be included in the projected 2015 net revenue requirement and estimated rates will be made available to customers by October 31, 2014. New rates will take effect on January 1, 2015.

7. Mid-Kansas Electric Company, LLC

No changes to the ratios used to establish rates pursuant to Addendum 19 of this Attachment H will take effect unless accepted for approval by the FERC pursuant to the Federal Power Act.

8. Sunflower Electric Power Corporation

No changes to the ratios used to establish rates pursuant to Addendum 20 of this Attachment H will take effect unless accepted for approval by the FERC pursuant to the Federal Power Act.

III. Base Plan Upgrades

A single Base Plan Upgrade is comprised of any upgrade or group of upgrades required to be made to a single transmission circuit, where a transmission circuit is comprised of all load carrying elements between circuit breakers or the comparable switching devices. A load carrying element within a Base Plan Upgrade that is connected at two different voltage levels (e.g. a 345kV/138kV transformer) shall, for the purposes of this Attachment J, be considered to have a nominal operating voltage of its lower voltage level (excluding any tertiary windings) and its costs shall be allocated in accordance with the rules governing the lower voltage level in this Attachment J. A waiver may be requested to use a transformer's higher voltage level instead of the lower voltage level for the purposes of cost allocation under this Attachment J based on the anticipated utilization of the transformer. Such request must be made in writing with supporting analysis and submitted to the Transmission Provider not later than one hundred eighty (180) days following the inclusion of the transformer in an approved SPP Transmission Expansion Plan. Any waiver request submitted shall be evaluated based upon the following general factors, including but not limited to: (i) whether the power flows through the transformer predominately are from the lower voltage to the higher voltage; (ii) whether the transformer is not necessary for the support of, or does not substantially benefit, the lower voltage system in the host zone to which it is connected. The Transmission Provider shall make a recommendation to accept or deny the waiver, on a non-discriminatory basis, to the Markets and Operations Policy Committee. The Markets and Operations Policy Committee will consider the waiver request and the Transmission Provider's recommendation, and will provide its own recommendation (along with the Transmission Provider's recommendation) regarding such waiver to the SPP Board of Directors. Barring unusual circumstances, the recommendation to approve or reject such waiver request will be submitted to the SPP Board of Directors within one hundred twenty (120) days following the receipt of the waiver request.

A. Allocation of Base Plan Upgrade Costs Eligible for Cost Allocation

1. If the cost of a Base Plan Upgrade is less than or equal to \$100,000, the annual transmission revenue requirement associated with such Base Plan Upgrade shall be allocated to the Base Plan

Zonal Annual Transmission Revenue Requirement of the Zone in which the Base Plan Upgrade is located.

2. Other than Base Plan Upgrades allocable under Section III.A.1, if
 - a) the Base Plan Upgrade is included in and constructed pursuant to the SPP Transmission Expansion Plan in order to ensure the reliability of the Transmission System; b) is included in Schedule 2 of this Attachment J; c) is an approved high priority upgrade; or d) is a Base Plan Upgrade cost eligible for cost allocation under Section III.B.1 and is not associated with a new or changed Designated Resource for a wind generation plant, then:
 - i. $X\%$ of the annual transmission revenue requirement associated with such Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Region-wide Annual Transmission Revenue Requirement and recovered through the Region-wide Charge, where X shall be set as follows:
 - a. For all Base Plan Upgrades issued a Notification to Construct prior to June 19, 2010 or whose nominal operating voltage level is less than 300 kV but greater than 100 kV, X shall be 33%.
 - b. For all other Base Plan Upgrades whose nominal operating voltage level is greater than or equal to 300 kV, X shall be 100%.
 - c. For all other Base Plan Upgrades whose nominal operating voltage level is less than or equal to 100 kV, X shall be 0%.
 - ii. $(100-X)\%$ of the annual transmission revenue requirement associated with such Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Zonal Annual Transmission Revenue Requirement and recovered through the Base Plan Zonal Charge as follows:

- a. For Base Plan Upgrades issued a Notification to Construct prior to June 19, 2010, this portion of the annual transmission revenue requirement for Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Zonal Annual Transmission Revenue Requirement of specific Zones based on the Zones' share of the incremental positive MW-mile benefits as computed in Section 4 of Attachment S to this Tariff. Each Zone with a benefit of at least 10 MW-miles from a given Base Plan Upgrade shall be allocated a portion of the Base Plan Zonal Annual Transmission Revenue Requirement for such upgrade based on its incremental positive MW-mile benefit divided by the sum of the incremental positive MW-mile benefits for all of those Zones with a benefit of at least 10 MW-miles from the upgrade, provided that such allocation represents an engineering and construction cost of at least \$100,000.
 - b. For all other Base Plan Upgrades, this portion of the annual transmission revenue requirement for Base Plan Upgrade costs eligible for cost allocation shall be allocated solely to the Base Plan Zonal Annual Transmission Revenue Requirement of the Zone in which the Base Plan Upgrade is located.
3. If the Base Plan Upgrade cost eligible for cost allocation under Section III.B.1 of Attachment J is a) associated with a new or changed Designated Resource that is a wind generation plant and b) the Base Plan Upgrade is located within the same zone as the Transmission Customer's Point of Delivery, then:

- i. X% of the annual transmission revenue requirement associated with the portion of the Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Region-wide Annual Transmission Revenue Requirement and recovered through the Base Plan Region-wide Charge, where X shall be set as follows:
 - a. For Base Plan Upgrades issued a Notification to Construct prior to June 19, 2010 or whose nominal operating voltage level is less than 300 kV and greater than 100 kV, X shall be 33%.
 - b. For all other Base Plan Upgrades whose nominal operating voltage level is greater than or equal to 300 kV, X shall be 100%.
 - c. For all other Base Plan Upgrades whose nominal operating voltage level is less than or equal to 100 kV, X shall be 0%.
- ii. (100-X)% of the annual transmission revenue requirement associated with the portion of the Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Zonal Annual Transmission Revenue Requirement and recovered through the Base Plan Zonal Charge as follows:
 - a. For Base Plan Upgrades issued a Notification to Construct prior to June 19, 2010, this portion of the annual transmission revenue requirement for Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Zonal Annual Transmission Revenue Requirement of specific Zones based on the Zones' share of the incremental positive MW-mile benefits as computed in Section 4 of Attachment S to this Tariff. Each Zone with a

benefit of at least 10 MW-miles from a given Base Plan Upgrade shall be allocated a portion of the Base Plan Zonal Annual Transmission Revenue Requirement for such upgrade based on its incremental positive MW-mile benefit divided by the sum of the incremental positive MW-mile benefits for all of those Zones with a benefit of at least 10 MW-miles from the upgrade, provided that such allocation represents an engineering and construction cost of at least \$100,000.

- b. For all other Base Plan Upgrades, this portion of the annual transmission revenue requirement for Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Zonal Annual Transmission Revenue Requirement of the Zone in which the Base Plan Upgrade is located.

- 4. If the Base Plan Upgrade cost eligible for cost allocation under Section III.B.1 of Attachment J is a) associated with a new or changed Designated Resource that is a wind generation plant and b) the Base Plan Upgrade is located within a zone(s) other than the Transmission Customer's Point of Delivery, then:

- i. Y% of the annual transmission revenue requirement associated with the Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Region-wide Annual Transmission Revenue Requirement and recovered through the Base Plan Region-wide Charge, where Y shall be set as follows:

- a. For Base Plan Upgrades issued a Notification to Construct prior to June 19, 2010 or whose nominal operating voltage level is less than 300 kV, Y shall be 67%.

- b. For all other Base Plan Upgrades Y shall be 100%.
- ii. (100-Y)% of the annual transmission revenue requirement associated with the Base Plan Upgrade costs eligible for cost allocation shall be directly assigned to the Transmission Customer.

B. Conditions for Classifying Service Upgrade Costs Associated with Designated Resources As Base Plan Upgrade Costs Eligible for Cost Allocation

- 1. Except as provided in Section III.A.1 and subject to the limits and rules set forth in Subsections d and f below, the costs of Service Upgrades associated with new or changed Designated Resources shall be classified as Base Plan Upgrade costs eligible for cost allocation if the conditions in the following Subsections a and b are met, and if the condition in Subsection c is met as applicable.
 - a. The Transmission Customer's commitment to the Designated Resource has a duration of at least five years
 - b. In the first year the Designated Resource is planned to be used by the Transmission Customer, the accredited capacity of the Transmission Customer's existing Designated Resources plus the lesser of: (a) the planned maximum net dependable capacity applicable to the Transmission Customer or (b) the requested capacity; shall not exceed 125% of the Transmission Customer's projected system peak responsibility determined pursuant to SPP Criteria 2.
 - c. If the Designated Resource is a wind generation plant, then the sum of: (1) the requested capacity and (2) the transmission capacity reserved for the Transmission Customer's existing Designated Resources that are wind generation plants shall not exceed 20% of the Transmission Customer's projected system peak responsibility as determined pursuant to SPP Criteria 2 in the first year the

Designated Resource is planned to be used by the Transmission Customer.

- d. Safe Harbor Cost Limit for Eligibility of the Costs of Base Plan Upgrade for Cost Allocation
 - i. For Base Plan Upgrades that cost over \$100,000, the aggregate cost of such upgrades assigned to each individual transmission service request that is less than or equal to the Safe Harbor Cost Limit of \$180,000 / MW times the requested capacity is eligible for cost allocation in accordance with:
 - 1) Section III.A.2 for a new or changed Designated Resource other than a wind generation plant; or
 - 2) Sections III.A.3 and 4 for a new or changed Designated Resource that is a wind generation plant.
 - ii. Unless a waiver of the Safe Harbor Cost Limit is granted pursuant to Section III.C, any costs that exceed the Safe Harbor Cost Limit for a transmission service request shall be directly assigned to the Transmission Customer and allocated among the upgrades affected by the transmission service request in accordance with Section V.c of Attachment Z1 of this Tariff.
- e. Base Plan Upgrade costs eligible for allocation as a result of the granting of a waiver shall be allocated in accordance with Sections III.A.2, III.A.3, or III.A.4, as applicable.
- f. For each transmission service request, the amount of Base Plan Upgrade costs eligible for cost allocation shall be allocated among all Upgrades required to grant the transmission service request based upon the remaining cost

after allocation of any Directly Assigned Upgrade Costs in accordance with Section III.B.1(d)(ii) of this Attachment J.

2. The Transmission Customer must provide the Transmission Provider the information that the Transmission Provider deems necessary to verify that the new or changed Designated Resource meets conditions in Section III.B.1.a, b and c above.
3. If an upgrade for a new or changed Designated Resource meets the requirements set forth in Section III.B.1.a, b, and c above, the costs up to the \$180,000/MW Safe Harbor Cost Limit will be classified as Base Plan Upgrade costs eligible for cost allocation.
4. If the conditions set forth in Section III.B.1.a, b, and c above are not met, and the Transmission Customer does not secure a waiver of the relevant condition(s), the costs of the upgrades will be directly assigned to the Transmission Customer. If the costs of upgrades associated with a new or changed Designated Resource exceeds the Safe Harbor Cost Limit and the Transmission Customer does not secure a waiver of that limit, the costs of the upgrades in excess of the limit will be directly assigned to the Transmission Customer. The Transmission Customer shall receive transmission revenue credits in accordance with Attachment Z2 to this Tariff for any such directly assigned costs.

C. Waiver of Conditions for Classifying Service Upgrade Costs Associated with Designated Resources As Base Plan Upgrade Costs Eligible for Cost Allocation

1. Waiver Process

If one or more of the conditions in Section III.B.1.a, b, c are not met or if the Base Plan Upgrade cost exceeds the Safe Harbor Cost Limit, the Transmission Customer may seek a waiver from the Transmission Provider in order that the costs of any Service Upgrade(s) that otherwise would be directly assigned to the Transmission Customer may be

classified in whole or in part as Base Plan Upgrade costs eligible for cost allocation.

To obtain a waiver for the conditions set forth in Section III.B.1.a, b, c, the Transmission Customer must submit a request for a waiver to the Transmission Provider simultaneous with its request for long-term transmission service, submitted in accordance with Attachment Z1 to this Tariff, for the new or changed Designated Resource.

Aggregate Facilities Studies performed by the Transmission Provider as part of the Aggregate Transmission Service Study procedure, which is described in Attachment Z1, will determine whether the costs for Service Upgrades associated with a new or changed Designated Resource might exceed the Safe Harbor Cost Limit. If the Transmission Provider determines that the costs for Service Upgrades associated with a new or changed Designated Resource might exceed the Safe Harbor Cost Limit, the Transmission Provider shall notify the affected Transmission Customer when the Transmission Provider posts the associated Facilities Study. The affected Transmission Customer may request a waiver regarding the costs in excess of the Safe Harbor Cost Limit within 15 days of such notice from the Transmission Provider.

Following the receipt of a request for a waiver, the Transmission Provider will review the request and make a determination on a non-discriminatory basis of whether a waiver should be granted based upon consideration of the factors described in Section III.C.2. of this Attachment. The Transmission Customer requesting the waiver shall be responsible for the reasonable costs of any studies that the Transmission Provider performs in making its determination. The Transmission Provider will provide a report and recommendation to the Markets and Operations Policy Committee for each requested waiver. The Markets and Operations Policy Committee will consider the waiver request and the Transmission Provider's report and recommendation, and will provide its own recommendation (along with the Transmission Provider's report and

recommendation) regarding each requested waiver to the SPP Board of Directors. Barring unusual circumstances, a valid waiver request will be reviewed and submitted to the SPP Board of Directors within 120 days following the receipt of the waiver request.

2. Factors to be Considered in Evaluating Waiver Requests

Any waiver request submitted by a Transmission Customer pursuant to Section III.C.1. of this Attachment shall be evaluated based upon the following general factors, including but not limited to:

- i. There are insufficient competitive resource alternatives for one or more Transmission Customers.
- ii. In the event that the aggregate costs of a Service Upgrade associated with a new or changed Designated Resource exceed the Safe Harbor Cost Limit, (i) those costs up to the level of the Safe Harbor Cost Limit shall be classified as Base Plan Upgrade costs eligible for cost allocation, and (ii) those costs that exceed the Safe Harbor Cost Limit may be classified in whole or in part as Base Plan Upgrade costs eligible for cost allocation taking into account the extent to which the duration of the Transmission Customer's commitment to the new or changed Designated Resource exceeds the five-year commitment period set forth in paragraph III.B.1. above.
- iii. The five-year commitment period for the new or changed Designated Resource may be waived if: (i) the associated Service Upgrade costs are significantly less than the Safe Harbor Cost Limit; or (ii) the associated Service Upgrades provide benefits to other Transmission Customers that would offset in less than five years any costs allocated to them as a result of the upgrade being classified as a Base Plan Upgrade.
- iv. If a request for a waiver is received by the Transmission Provider based upon other circumstances, such waiver request shall also be

considered pursuant to the waiver process described in Section III.C.1. of this Attachment.

If the costs of the Service Upgrade(s) required for a new or changed Designated Resource are not eligible for classification as Base Plan Upgrade costs, the Transmission Customer may nevertheless request the construction of such upgrades. In such event, the costs of such upgrades shall be allocated in accordance with Attachment Z1 to this Tariff.

D. Review of Base Plan Allocation Methodology

1. The Transmission Provider shall review the reasonableness of the regional allocation methodology and factors (X% and Y%) and the zonal allocation methodology at least once every three years in accordance with this Section III.D. The Transmission Provider and/or the Regional State Committee may initiate such review at any time. Any change in the regional allocation methodology and factors or the zonal allocation methodology shall be filed with the Commission.
2. For each review conducted in accordance with Section III.D.1, the Transmission Provider shall determine the cost allocation impacts of the Base Plan Upgrades with Notifications to Construct issued after June 19, 2010 to each pricing Zone within the SPP Region. The Transmission Provider in collaboration with the Regional State Committee shall determine the cost allocation impacts utilizing the analysis specified in Section III.e of Attachment O and the results produced by the analytical methods defined pursuant to Section III.D.4(i) of this Attachment J.
3. The Transmission Provider shall review the results of the cost allocation analysis with SPP's Regional Tariff Working Group, Markets and Operations Policy Committee, and the Regional State Committee. The Transmission Provider shall publish the results of

the cost allocation impact analysis and any corresponding presentations on the SPP website.

4. The Transmission Provider shall request the Regional State Committee provide its recommendations, if any, to adjust or change the costs allocated under this Attachment J if the results of the analysis show an imbalanced cost allocation in one or more Zones.
 - i) One year prior to each three-year planning cycle (starting in 2013) the Markets and Operations Policy Committee and Regional State Committee will define the analytical methods to be used to report under this Section III.D and suggest adjustments to the Regional State Committee and Board of Directors on any imbalanced zonal cost allocation in the SPP footprint; and
 - ii) Starting in 2015 and at any time thereafter, any member company that feels that it has an imbalanced cost allocation may request relief through the Markets and Operations Policy Committee. The Markets and Operations Policy Committee recommendation, if any, will be forwarded with the request for relief to the Regional State Committee and Board of Directors for review.
5. In accordance with the SPP Bylaws, the SPP Board of Directors will initiate the appropriate actions, including any necessary filings with the Commission, consistent with the Regional State Committee recommendations.

V. Other Network Upgrades

A. Sponsored Upgrades

The Directly Assigned Upgrade Cost of a Sponsored Upgrade shall be borne voluntarily by the Project Sponsor. The Project Sponsor shall execute an Agreement for Sponsored Upgrade in which it agrees to bear these Directly Assigned Upgrade Costs. In the Agreement, the Project Sponsor shall elect to pay for the Sponsored Upgrade by (1) a lump sum payment or (2) periodic charges calculated in accordance with Commission policy (both hereafter referred to as “Project Sponsor’s Payment”). The lump sum payment option is the only eligible option for a Sponsored Upgrade to be constructed by Western-UGP. Such periodic charges shall be paid on a monthly basis over a twenty year period unless a different frequency and/or shorter term is established in the Agreement for Sponsored Upgrade. The present value of the Project Sponsor’s Payment shall equal the present value of the annual revenue requirements of the Sponsored Upgrade over a twenty year plant life. The annual revenue requirements of the Sponsored Upgrade shall be calculated by multiplying the levelized fixed charge rate of the Transmission Owner, based on full depreciation over a 20 year plant life and including operating and maintenance expenses and any applicable tax consequences, by the nondepreciated actual cost of the Sponsored Upgrade.

The Transmission Provider shall file the Agreement initially utilizing good faith estimates of the construction costs for the assigned upgrade. Upon completion of the Sponsored Upgrade, the Transmission Provider shall true up the Directly Assigned Upgrade Costs to the actual construction costs as appropriate and calculate the Project Sponsor’s Payment.

In addition, the Directly Assigned Upgrade Cost of the Sponsored Upgrade shall be reduced as provided in Section VII of this Attachment J and by any revenue credits granted to a Transmission Owner for the use of the Sponsored Upgrade.

The Project Sponsor shall receive transmission revenue credits in accordance with Attachment Z2.

B. Service Upgrades

The cost of a Service Upgrade shall be allocated in accordance with Attachment Z1 to this Tariff. The Transmission Customer shall receive transmission revenue credits in accordance with Attachment Z2.

C. Generation Interconnection Related Network Upgrades

The cost of a generation interconnection related Network Upgrade shall be allocated in accordance with Attachment V to this Tariff. The Interconnection Customer shall receive transmission revenue credits in accordance with Attachment Z2.

D. Zonal Reliability Upgrades

1. The cost of Zonal Reliability Upgrades (i) included in the 2005 SPP Transmission Expansion Plan and (ii) placed in service prior to January 1, 2008 shall be allocated in accordance with Section III to this Attachment.
2. The cost of all other Zonal Reliability Upgrades shall be includable in the applicable Zonal Annual Transmission Revenue Requirement.

Schedule 2 to Attachment J

Base Plan Upgrades Specifically Designated for Cost Allocation under Attachment J, Section III.A.2

Project		Owner	Date Needed	Voltage
345 kV Line - AVS to Charlie Creek #2	ZONE 19	BEPC	12/1/2017	345
AVS Switchyard [345 kV]	ZONE 19	BEPC	12/1/2017	345
Charlie Creek Substation [345 kV]	ZONE 19	BEPC	12/1/2017	345
230/115 kV Line (DC) - Judson Sub to Williston Sub [230 kV portion]	ZONE 19	BEPC	12/1/2017	230
345/230 kV Judson Substation	ZONE 19	BEPC	12/1/2017	230
345 kV Line - Charlie Creek Sub to Indian Hills to Judson	ZONE 19	BEPC	12/1/2017	345
230 kV Line - Tande Sub to Neset Sub	ZONE 19	BEPC	12/1/2017	230
345/230 kV Tande Substation	ZONE 19	BEPC	12/1/2017	230
345 kV Line - Judson Sub to Tande Sub	ZONE 19	BEPC	12/1/2017	345
Neset Substation [230 kV]	ZONE 19	BEPC	12/1/2017	230
Lower Brule 230 kV Sub	ZONE 19	BEPC	12/1/2016	230
Lower Brule - Witten 230 kV Line	ZONE 19	BEPC	12/1/2016	230
Communication Facilities assoc. with Lower Brule - Witten 230 kV line	ZONE 19	BEPC	12/2/2016	230

I. Redispatch to Accommodate a request for Firm Transmission Service**A. Purpose**

This Procedure shall apply only to entities that, when applying for Firm Point-To-Point or Network Integration Transmission Service, were told that the service could be provided only if redispatch occurs, and that agreed to pay redispatch costs. If an entity in these circumstances does not agree to pay redispatch costs, then its request for Firm Point-to-Point or Network Integration Transmission Service will be denied in whole or in part. To the extent the Transmission Provider can relieve any system constraint for Firm Point-To-Point or Network Integration Transmission Service by redispatching the generation resources of a willing Transmission Owner(s) or other willing generators, it shall do so, provided that the Eligible Customer agrees to compensate the Transmission Provider pursuant to the terms of Section 27 of this Tariff and this procedure. The procedure under this Section I is not for the purpose of sustaining non-firm service.

B. Obligations

The Transmission Provider shall arrange for the redispatch of the generation resources of the Transmission Owner(s) or other willing generators for the stated purpose. As a condition precedent to receiving Firm Point-to-Point or Network Integration Transmission Service, a Transmission Customer agrees to pay (1) the applicable Transmission Service charges described in Schedules 1 through 11; and (2) the actual redispatch cost necessary to relieve transmission constraints. To the extent practical, the redispatch of all such resources shall be on a least cost basis. The total charges to be paid by the Transmission Customer under this Tariff shall not exceed the total charges the Transmission Customer would have paid under the Transmission Service Tariffs of the Transmission Owners for the Transmission Service in the same amount from the same Point of Receipt to the same Point of Delivery unless any additional charges to the Transmission Customer are permitted by Commission policy.

C. Assessment Process

Upon receipt of an Application for Firm Point-to-Point or Network Integration Transmission Service, the Transmission Provider shall make a determination of the availability of the requested Firm Transmission Service. The Transmission Provider's Security Coordination Center will identify transmission constraints utilizing generally accepted power system analysis techniques. Where the requested Firm Transmission Service is determined to be not fully

available because of transmission constraints, then the Transmission Provider will assess the need for redispatch of generation.

The procedure to be implemented is as follows:

1. Determine the available transmission capacity for the requested Firm Transmission Service utilizing a load flow computer simulation of the transmission system recognizing all firm uses of the system.
2. Determine the owned generation resources of the Transmission Owners or others that will relieve the transmission constraint and the amount of transmission capacity available through redispatch.
3. The Transmission Provider shall inform the Eligible Customer if the Transmission Provider concludes that redispatch can sustain the requested Firm Transmission Service.
4. Any disputes as to compensation for service under this Tariff shall go to dispute resolution in accord with the provisions of this Tariff.

D. Redispatch Costs

If redispatch services are provided pursuant to this Attachment K, the Transmission Provider will in good faith attempt to relieve the constraint through operation of the Energy and Operating Reserve Markets described in Attachment AE. Costs associated with redispatch services shall be collected and paid in accordance with the Energy and Operating Reserve Markets settlement procedures described in Attachment AE.

II. Distribution Of Transmission Service Revenues Associated With The Zonal Annual Transmission Revenue Requirement

Transmission service revenues associated with the Zonal Annual Transmission Revenue Requirement shall be distributed in accordance with the following:

A. Grandfathered Agreements

Except by mutual agreement of the Parties to Grandfathered Agreements, the Transmission Provider shall have no claim to the revenues collected under such agreements, and shall not collect or allocate any revenues for transmission service related to such transactions. The Transmission Owner providing the transmission service under the Grandfathered Agreements, therefore, will continue to receive payment directly from the customer under the Grandfathered Agreement. Nothing herein is intended to supersede or otherwise affect rights that any party to a Grandfathered Agreement may have with respect to termination of the Grandfathered Agreement. In the event that a Grandfathered Agreement remains in effect between or among two or more Transmission Owners in a multi-owner Zone other than Zone 1, the associated charges and revenues will be treated as set forth in Section II.B.2(b) below for purposes of determining the appropriate distribution of revenues among the Transmission Owners in that Zone.

B. Revenue Distribution – Network Integration Transmission Service

1. Single-Owner Zones

Where there is only one Transmission Owner in a Zone, revenues associated with facilities with a Zonal Annual Transmission Revenue Requirement shall be distributed as follows:

(a) Except to the extent required under paragraph II.B.1(b) of this Attachment L, revenues collected by the Transmission Provider under Schedule 9 in connection with the provision of Network Integration Transmission Service shall be distributed to the Transmission Owner in the Zone where the Network Load is located.

(b) When a Network Customer has designated Network Load not physically interconnected with the Transmission System under Section 31.3 of the Tariff, revenues collected by the Transmission Provider for Network Integration Transmission Service for that portion of the Network Customer's Network Load shall be distributed among

Transmission Owners on the same basis as the revenues collected in connection with the provision of Point-To-Point Transmission Service.

2. Multi-Owner Zones

When more than one Transmission Owner within a single Zone has established its owner-specific zonal annual revenue requirement (“OZRR”), the Transmission Provider shall distribute revenues owed to the Transmission Owners in the Zone as described below.

(a) Except to the extent required under paragraph II.B.2(e) of this Attachment L, the Transmission Provider shall distribute revenues it collects under Schedule 9 to each Transmission Owner in the Zone where the load is located in proportion to its respective share of the Zonal Annual Transmission Revenue Requirements (“ZRR”) shown in Attachment H for that Zone, as adjusted in accordance with paragraph II.B.2(b) below. The resulting adjusted OZRRs of the Transmission Owners in the Zone as calculated in paragraph II.B.2(b) below will be combined to provide the basis for distribution of revenues from Schedule 9 charges.

(b) For any year in which a Transmission Owner is a seller of transmission service to another Transmission Owner within the same Zone under one or more Grandfathered Agreements, the selling Transmission Owner’s OZRR used to allocate revenue from Schedule 9 charges shall be reduced by the revenues associated with these Grandfathered Agreements in that year, but only to the extent that such costs have not already been credited against the selling Transmission Owner’s OZRR. For any year in which a Transmission Owner is a purchaser of transmission service from a Transmission Owner within the same Zone under one or more Grandfathered Agreements, the purchasing Transmission Owner’s OZRR shall be increased by the charges payable under these Grandfathered Agreements in that year, but only to the extent those charges are not already included in the purchasing Transmission Owner’s OZRR.

(c) For each Transmission Owner in the Zone that has elected not to take Network Integration Transmission Service for its Native Load Customers or that has elected not to make payments to the Transmission Provider for its OZRR in taking Network Integration Transmission Service for its Native Load Customers and/or that provides long term transmission service under Grandfathered Agreements (other than those addressed in paragraph II.B.2(b) above), the Transmission Provider shall compute hypothetical NITS payments equal to the cost

to serve its Native Load Customers and to serve long-term customers served under Grandfathered Agreements (other than those addressed in paragraph II.B.2(b) above) as if those customers were paying for service under Schedule 9.

(d) For each Transmission Owner, the Transmission Provider shall calculate an amount equal to the sum of hypothetical NITS payments determined in accordance with paragraph II.B.2(c) above, if any, plus distributed Schedule 9 charges in accordance with paragraph II.B.2(a) above, less its OZRR as adjusted pursuant to paragraph II.B.2(b) above. If the resulting amount is positive, the Transmission Owner shall pay the Transmission Provider this amount. If the resulting amount is negative, the Transmission Provider shall pay the Transmission Owner this amount.

(e) The treatment described in paragraphs II.B.2(b)-(d) above is premised on the assumption that the annual transmission revenue requirement of the Transmission Owner that is the seller under a Grandfathered Agreement has not been reduced by the amount of the charges associated with the Grandfathered Agreement. In such circumstances, the parties to the Grandfathered Agreement will attempt to reach agreement on a treatment of the Grandfathered Agreement that results in appropriate compensation to the Transmission Owners in the Zone while preventing the imposition of excessive costs on others. If the Transmission Owners in the Zone are unable to reach agreement, either Transmission Owner may invoke the dispute resolution procedures of the Tariff or seek a determination from FERC as to the appropriate treatment of the Grandfathered Agreement charges.

(f) When a Network Customer has designated Network Load outside the Transmission Provider's Transmission System under Section 31.3 of the Tariff, revenues collected by the Transmission Provider for Network Integration Transmission Service for that portion of the Network Customer's Network Load shall be distributed among Transmission Owners on the same basis as the revenues collected in connection with the provision of Point-To-Point Transmission Service.

(g) Sections II.B.2(a) through II.B.2(e) above do not apply to Zone 1. In the event a Transmission Owner within Zone 1 other than American Electric Power establishes its owner-specific zonal annual revenue requirement ("OZRR") as stated in Attachment H, that subsequent Transmission Owner will be entitled to receive revenue, collected by the Transmission Provider from other Transmission Customers within Zone 1 including any

Transmission Owner within Zone 1 taking service under Section 39, in an amount equal to one minus that Transmission Owner's Load Ratio Share of the Zone 1 total Network Load multiplied by that Transmission Owner's OZRR.

(h) Section II.B.2(f) above does not apply to revenues from a Network Customer having Network Load in Zone 19 which has designated Network Load outside the Transmission Provider's Transmission System under Section 31.3 of this Tariff designated prior to October 1, 2015. For such load, revenues collected by the Transmission Provider for Network Integration Transmission Service for such portion of the Network Customer's Network Load shall be distributed among Transmission Owners of Zone 19.

(i) Nothing herein is intended to supersede or otherwise affect rights that any Transmission Owner in a multi-owner Zone may have to seek designation of its facilities as a separate Zone under the Tariff.

3. Revenue Credits – Tariff Attachment Z2

Network Integration Transmission Service revenue collected by the Transmission Provider attributed to the use of Creditable Upgrades pursuant to the provisions of Attachment Z2 of this Tariff shall be paid to Upgrade Sponsors in accordance with Attachment Z2.

C. Revenue Distribution -- Point-To-Point Transmission Service

Irrespective of the number of Transmission Owners in a Zone, and except to the extent required under Section IV of this Attachment L, revenues collected by the Transmission Provider under Schedules 7 and 8 and revenues allocated pursuant to paragraphs II.B.1(b) and II.B.2(f) shall be distributed as follows:

(a) If a Point-To-Point Transmission Service reservation could not be granted but for the use of one or more Creditable Upgrades, pursuant to the provisions of Attachment Z2, the revenue from that reservation will first be distributed to the Upgrade Sponsors of such Creditable Upgrades in accordance with the provisions of Attachment Z2. Any remaining revenue shall be distributed in accordance with all other provisions of this Section C.

(b) If the generation source(s) and load(s) are located within a single Zone, 50% of the revenues shall be distributed to the Transmission Owner(s) in that Zone in proportion to their respective shares of the ZRR, and 50% of the revenues shall be distributed to the Transmission Owner(s) in that Zone in proportion to the MW-mile impacts incurred by each such Transmission Owner.

(c) In all instances other than that described in the preceding paragraph : 50% of the revenues shall be distributed to the Transmission Owners in proportion to their respective shares of the sum of the Zonal Annual Transmission Revenue Requirements for all Zones; and 50% of the revenues shall be distributed to the Transmission Owners whose facilities incur MW-mile impacts due to the transaction, in proportion to the MW-mile impacts incurred by each such Transmission Owner. A Transmission Owner's OZRR used for this purpose shall be that stated in Attachment H. The MW-mile impacts shall be determined by use of the procedures in Attachment S.

ATTACHMENT M LOSS COMPENSATION PROCEDURE

I. PURPOSE

This loss compensation procedure will be used to quantify *real power losses for which the Transmission Customer or Network Customer is responsible when taking service* under this Tariff. *The Transmission Provider shall maintain a schedule showing the real power loss factors for the provision of transmission service across each Zone on the Transmission System. The injection loss factor (“ILF”) and delivery loss factor (“DLF”) for each Zone are stated in Appendix 1 to this Attachment M.*

II. TRANSMISSION LOSS DETERMINATION - NETWORK INTEGRATION TRANSMISSION SERVICE

(a) The Network Customer *shall be* responsible for *real power* losses associated with Network Integration Transmission Service to its Network Load *for each Zone in which its Network Load is located for the purposes of determining charges under Schedule 9 and Schedule 11 to this Tariff.* The Network Customer’s loss responsibility is the product of the Zone *DLF, shown in Column D of Appendix 1 to this Attachment M and the hourly metered Network Load for the hour that is coincident with the applicable Zone monthly peak load hour and such loss responsibility shall be included when calculating that Network Customer’s Load Ratio Share, Base Plan Zonal Load Ratio Share and Region-wide Load Ratio Share.*

(b) Loss energy associated with hourly energy settlement under the Integrated Marketplace shall be accounted for under the settlement procedures for the Energy and Operating Reserve Markets specified in Attachment AE. Loss energy associated with the transmission of Federal Power-Western-UGP to the Statutory Load Obligations served by Western-UGP shall be the product of the amount of Federal Power-Western-UGP delivered to the Statutory Load Obligations and the Zone 19 DLF, shown in Column D of Appendix 1 to this Attachment M in accordance with Section 39.3(e)(ii) of this Tariff.

III. TRANSMISSION LOSS DETERMINATION - POINT-TO-POINT TRANSMISSION SERVICE

The Transmission Customer shall be responsible for real power losses associated with Transmission Service under Schedule 7 and Schedule 8 to this Tariff. For purposes of

calculating a Transmission Customer's loss responsibility, such Transmission Customer's Transmission Service reservation capacity shall not be adjusted by the demand zonal loss factors stated in Appendix 1 to this Attachment M. Real power losses associated with settlement of Transmission Service schedules in the Integrated Marketplace shall be accounted for under the settlement procedures for the Energy and Operating Reserve Markets specified in Attachment AE.

IV. OTHER LOSSES

Additional compensation will be required for real power losses when the meter used to measure the energy taken at a delivery point is located on facilities not on the Transmission System. The Transmission Customer shall be responsible for any real power losses incurred on facilities not on the Transmission System.

APPENDIX 1 TO ATTACHMENT M
DEMAND ZONAL LOSS FACTORS

(A) ZONE	(B) NAME	(C) INJECTION LOSS FACTOR ("ILF")	(D) DELIVERY LOSS FACTOR ("DLF")
1	<i>American Electric Power</i>	2.90%	2.9866%
2	<i>Reserved for Future Use</i>		
3	<i>City Utilities of Springfield</i>	2.00%	2.0408%
4	<i>Empire District Electric Company</i>	2.71%	2.7855%
5	<i>Grand River Dam Authority</i>	3.3816%	3.5%
6	<i>Kansas City Power & Light Company</i>	1.8646%	1.90%
7	<i>Oklahoma Gas and Electric Company</i>	3.00%	3.0928%
8	<i>Midwest Energy, Inc.</i>	4.26%	4.4496%
9	<i>KCP&L Greater Missouri Operations Company</i>	1.92%	1.9576%
10	<i>Southwestern Power Administration</i>	4.00%	4.1667%
11	<i>Southwestern Public Service</i>	3.2292%	3.3370%
12	<i>Sunflower Electric Power Corporation</i>	4.9701%	5.23%
13	<i>Western Farmers Electric Cooperative</i>	3.00%	3.0928%
14	<i>Westar Energy, Inc. (Kansas Gas and Electric and Westar Energy)</i>	2.9786%	3.07%
15	<i>Mid-Kansas Electric Company</i>	5.9443%	6.32%
16	<i>Lincoln Electric System</i>	1.07%	1.0816%
17	<i>Nebraska Public Power District</i>	2.4%	2.4590%
18	<i>Omaha Public Power District</i>	1.1858%	1.20%
19	<i>Upper Missouri Zone</i>	3.8462%	4.00%

Upper Missouri Zone

Rate Sheet for Point-To-Point Transmission Service

The currently effective rates for Point-To-Point Transmission Service in the Upper Missouri (“UMZ”) rate zone are set forth in the “UMZ PTP Rate Att T” tab of the Revenue Requirements and Rates File (“RRR File”) posted on the SPP website. Transmission Owners that have Commission approved rate(s) in the UMZ rate zone are: Basin Electric Power Cooperative (“Basin Electric”); Heartland Consumers Power District (“Heartland”); and Western Area Power Administration, Upper Great Plains Region (“Western-UGP”).

Balanced Portfolio Reallocation Adjustment of Point-To-Point Rates

Rates for Point-To-Point Transmission Service specified in this Attachment T shall be adjusted to reflect any amount reallocated from the Zonal Annual Transmission Revenue Requirement in accordance with Section IV.A of Attachment J. The rates, including any applicable reallocation adjustment, shall be set forth in the RRR File posted on the SPP website.

Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges based upon the rates set forth in the RRR File, calculated pursuant to the formula rates of Basin Electric, Heartland, and Western-UGP, including any ATRR associated with facility credits provided in the UMZ rate zone, set forth in Attachment H, Addendums (list appropriate addendums, respectively) of the Tariff, and as described below:

1. Yearly delivery: the UMZ Monthly delivery rate multiplied by 12 months.
2. Monthly delivery: the sum of the Basin Electric, Heartland, and Western-UGP Annual Transmission Revenue Requirements determined under these entities’ formula rates, including any ATRR associated with facility credits provided in the UMZ rate zone, divided by the UMZ total load estimate and divided by 12 months (to three significant digits).
3. Weekly delivery: the UMZ Yearly delivery rate divided by 52.
4. Daily delivery: the UMZ Weekly delivery rate divided by 7.

Non-Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges based upon the rates set forth in the RRR File, calculated pursuant to the formula rates of Basin Electric, Heartland, and Western-UGP, including any ATRR associated with facility credits provided in the UMZ rate zone, and as described below:

1. Monthly delivery: the sum of the Basin Electric, Heartland, and Western-UGP Annual Transmission Revenue Requirements determined under these entities' formula rates, including any ATRR associated with facility credits provided in the UMZ rate zone, divided by the UMZ total load estimate and divided by 12 months (to three significant digits).
2. Weekly delivery: the UMZ Monthly delivery rate multiplied by 12 and divided by 52.
3. Daily delivery: the UMZ Weekly delivery rate divided by 7.
4. Hourly delivery: the UMZ Monthly delivery rate divided by 730 hours per month.

Section 1. Definitions

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 system other than the Transmission System that may be affected by the proposed interconnection.

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.

Applicable Reliability Council shall mean the reliability council applicable to the Transmission System to which the Generating Facility is directly interconnected.

Applicable Reliability Standards shall mean the requirements and guidelines of NERC, the Applicable Reliability Council, and the Control Area of the Transmission System to which the Generating Facility is directly interconnected.

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

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

Breaching Party shall mean a Party that is in Breach of the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

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

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

Clustering shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting the Interconnection Studies.

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 the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

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

Control Area shall mean an electrical system or systems bounded by interconnection metering and telemetry, capable of controlling generation to maintain its interchange schedule with other Control Areas and contributing to frequency regulation of the interconnection. A Control Area must be certified by an Applicable Reliability Council.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

Definitive 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 a Preliminary Interconnection System Impact Study or that may be caused by the withdrawal or addition of an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Definitive Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3A of the Generator Interconnection Procedures for conducting the Definitive Interconnection System Impact Study.

Definitive Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Definitive Interconnection System Impact Study.

Dispute Resolution shall mean the procedure in Section 12 of the Tariff for resolution of a dispute between 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 that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.

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 transmission 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 the Generator Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, 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, or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of 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 Transmission Owner's Interconnection Facilities; or (4) 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 black start shall be considered Emergency Conditions; provided that Interconnection Customer is not obligated by the Generator Interconnection Agreement to possess black start capability.

Energy Resource Interconnection Service shall mean an Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself 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.

Environmental Review shall mean a study conducted by Western-UGP, as the Transmission Owner, that contains a review of the proposed interconnection to Western-UGP's transmission facilities, pursuant to the National Environmental Policy Act ("NEPA"), 42 U.S.C. §4321, et seq., as amended, and setting forth Interconnection Customer's responsibilities in connection with such review of the interconnection.

Fast Track Process – *The procedure for evaluating an Interconnection Request for a certified Small Generating Facility that meets the eligibility requirements of section 14.1 and includes the section 14 screens, customer options meeting, and optional supplemental review.*

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 (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 acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Interconnection Customer's device 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 applicable to an Interconnection Request pertaining to a Generating Facility that is included in Appendix 6 to these Generator Interconnection Procedures or in Appendix 13 when Western-UGP is a Party, as the Transmission Owner, to the GIA.

Generator Interconnection Procedures (GIP) shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Generating Facility that are included in the Transmission Provider's Tariff.

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.

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.

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

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 back feed power.

Interconnection Customer shall mean any entity, including the 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 the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, 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. 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 are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

Interconnection Facilities Study shall mean a study conducted by the Transmission Provider or a third party consultant for the Interconnection Customer to determine a list of facilities (including Transmission Owner's Interconnection Facilities and Network Upgrades as identified in the Definitive Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission System. The scope of the study is defined in Section 8 of the Generator Interconnection Procedures.

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 Facilities Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Facilities Study.

Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Generating Facility to the Transmission System, the scope of which is described in Section 6 of the Generator Interconnection Procedures.

Interconnection Feasibility Study Agreement shall mean the form of agreement contained in Appendix 2 of the Generator Interconnection Procedures for conducting the Interconnection Feasibility Study.

Interconnection Feasibility Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Feasibility Study.

Interconnection Queue Position shall mean the order of a valid Interconnection Request within the Interconnection Facilities Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Facilities Study Queue, which is established based upon the requirements in Section 4.1.3.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Generator Interconnection Procedures, in accordance with the Tariff, 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 Interconnection Customer's 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 the Generator Interconnection Agreement and, if applicable, the Tariff.

Interconnection Study shall mean any of the following studies: the Interconnection Feasibility Study, the Preliminary Interconnection System Impact Study, the Definitive Interconnection System Impact Study, the Interim Availability Interconnection System Impact Study, and the Interconnection Facilities Study described in the Generator Interconnection Procedures.

Interconnection Study Agreement shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Preliminary Interconnection System Impact Study Agreement, the Definitive Interconnection System Impact Study Agreement, the Interim Availability Interconnection System Impact Study Agreement, and the Interconnection Facilities Study Agreement described in the Generator Interconnection Procedures.

Interim Availability Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of the Transmission System and, if applicable, an Affected System for the purpose of providing Interim Interconnection Service. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications on an interim basis.

Interim Availability Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 5 of the Generator Interconnection Procedures for conducting the Interim Availability Interconnection System Impact Study.

Interim Generator Interconnection Agreement (Interim GIA) shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Generating Facility to allow interconnection to the Transmission System prior to the completion of the Interconnection Study process.

Interim Interconnection Service shall mean the service provided by the Transmission Provider associated with interconnecting the Interconnection Customer's Generating Facility to the Transmission Provider's 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 the Interim Generator Interconnection Agreement and, if applicable, the Tariff.

IRS shall mean the Internal Revenue Service.

Joint Operating Committee shall be a group made up of representatives from Interconnection Customer, Transmission Owner and the Transmission Provider to coordinate operating and technical considerations of Interconnection Service.

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

Loss shall mean any and all losses 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 another Party's performance, or non-performance of its obligations under the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying 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 the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, 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 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 shall mean an Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with the Transmission System in a manner comparable to that in which the Transmission Owner integrates its generating facilities to serve Native Load Customers as a Network Resource. Network Resource Interconnection Service in and of itself 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 to accommodate the interconnection of the Generating Facility to the Transmission System.

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, or its performance.

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 or Interim Generator Interconnection Agreement, as applicable, 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 to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, where the Interconnection Facilities connect to the Transmission System.

Preliminary 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 an Interconnection Feasibility Study or that may be caused by an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Preliminary Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3 of the Generator Interconnection Procedures for conducting the Preliminary Interconnection System Impact Study.

Preliminary Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Preliminary Interconnection System Impact Study.

Previous Network Upgrade shall mean a Network Upgrade that is needed for the interconnection of one or more Interconnection Customers' Generating Facilities, where the Interconnection Customer is not responsible for the cost and which is identified in Appendix A of the Generator Interconnection Agreement.

Queue shall mean the Interconnection Feasibility Study Queue, the Preliminary Interconnection System Impact Study Queue, the Definitive Interconnection System Impact Study Queue, or the Interconnection Facilities Study Queue, as applicable.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer, Transmission Owner 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 listed in Appendix A of the Generator Interconnection Agreement that is needed for the interconnection of multiple Interconnection Customers' Generating Facilities where such Interconnection Customers share the cost.

Site Control shall mean documentation reasonably demonstrating: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size 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 of sufficient size for such purpose

Small Generating Facility shall mean *the Interconnection Customer's device for the production and/or storage for later injection of electricity identified in the Interconnection Request that meets the requirements of Section 14, but shall not include the Interconnection Customer's Interconnection Facilities.*

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 the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the Transmission System 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 FERC, and as amended or supplemented from time to time, or any successor tariff.

Transmission Owner shall mean an entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of Interconnection and may be a Party to the Generator Interconnection Agreement to the extent necessary.

Transmission Provider shall mean the public utility (or its Designated Agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the Tariff. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from the Transmission Provider.

Transmission Owner's Interconnection Facilities shall mean all facilities and equipment owned, controlled, or operated by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, 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, Stand Alone Network Upgrades or Network Upgrades.

Transmission System shall mean the facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide transmission 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.

Western Area Power Administration-Upper Great Plains Region ("Western-UGP") shall mean a division of the Western Area Power Administration, a Federal Power Marketing Agency, and Transmission Owner, that markets and transmits Federal power over Federal transmission facilities that have been transferred to the functional control of the Transmission Provider.

Section 2. Scope and Application

2.1 Application of Generator Interconnection Procedures.

These Generator Interconnection Procedures apply, as specified in this Section 2, to the processing of Interconnection Requests for interconnections to the Transmission System that are subject to FERC jurisdiction.

2.1.1 Sections 2 through 13 apply to processing an Interconnection Request pertaining to a Generating Facility except for Small Generating Facilities that meet the requirements of Section 14 of the GIP or Appendix 11. *If the Interconnection Customer wishes to interconnect its Small Generating Facility using Network Resource Interconnection Service, it must do so under Sections 3 through 13.*

2.1.2 Section 14 of the GIP applies to a request to interconnect a certified Small Generating Facility meeting the certification criteria in Appendix 9 and Appendix 10.

2.1.3 A request to interconnect a certified inverter-based Small Generating Facility no larger than 10 kW shall be evaluated under Appendix 11; except that Section 14 of this GIP shall instead apply to such request to interconnect a certified inverter-based Small Generating Facility no larger than 10kW if the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP, as the Transmission Owner, and such interconnection is subject to completion of the appropriate NEPA level of Environmental Review and issuance of the required NEPA decisional document.

2.2 *Pre-Application Process for Interconnection Requests Equal to or Less than 20 MW*

2.2.1 *The Transmission Provider shall designate an employee or office from which information on the application process and on an Affected System can be obtained through informal requests from the Interconnection Customer presenting a proposed project for a specific site. The name, telephone number, and e-mail address of such contact employee or office shall be made available on the Transmission Provider's Internet web site. Electric system information provided to the Interconnection Customer should include relevant system studies, interconnection studies, and other materials useful to an understanding of an interconnection at a particular point on the Transmission Provider's Transmission System, to the extent such provision does not violate confidentiality provisions of prior agreements or critical infrastructure requirements. The Transmission Provider shall comply with reasonable requests for such information.*

2.2.2 *In addition to the information described in section 2.2.1, which may be provided in response to an informal request, an Interconnection Customer may submit a formal written request form along with a non-refundable fee*

of \$300 for a pre-application report on a proposed project at a specific site. The Transmission Provider shall provide the pre-application data described in section 2.2.3 to the Interconnection Customer within 20 Business Days of receipt of the completed request form and payment of the \$300 fee. The pre-application report produced by the Transmission Provider is non-binding, does not confer any rights, and the Interconnection Customer must still successfully apply to interconnect to the Transmission Provider's system. The written pre-application report request form shall include the information in sections 2.2.2.1 through 2.2.2.8 below to clearly and sufficiently identify the location of the proposed Point of Interconnection.

- 2.2.2.1 Project contact information, including name, address, phone number, and email address.*
- 2.2.2.2 Project location (street address with nearby cross streets and town).*
- 2.2.2.3 Meter number, pole number, or other equivalent information identifying proposed Point of Interconnection, if available.*
- 2.2.2.4 Generator Type (e.g., solar, wind, combined heat and power, etc.).*
- 2.2.2.5 Size (alternating current kW).*
- 2.2.2.6 Single or three phase generator configuration.*
- 2.2.2.7 Stand-alone generator (no onsite load, not including station service – Yes or No?).*
- 2.2.2.8 Is new service requested? Yes or No? If there is existing service, include the customer account number, site minimum and maximum current or proposed electric loads in kW (if available) and specify if the load is expected to change.*

2.2.3. Using the information provided in the pre-application report request form in section 2.2.2, the Transmission Provider will identify the substation/area bus, bank or circuit likely to serve the proposed Point of Interconnection. This selection by the Transmission Provider does not necessarily indicate, after application of the screens and/or study, that this would be the circuit the project ultimately connects to. The Interconnection Customer must request additional pre-application reports if information about multiple Points of Interconnection is requested. Subject to section 2.2.4, the pre-application report will include the following information:

- 2.2.3.1 *Total capacity (in MW) of substation/area bus, bank or circuit based on normal or operating ratings likely to serve the proposed Point of Interconnection.*
- 2.2.3.2 *Existing aggregate generation capacity (in MW) interconnected to a substation/area bus, bank or circuit (i.e., amount of generation online) likely to serve the proposed Point of Interconnection.*
- 2.2.3.3 *Aggregate queued generation capacity (in MW) for a substation/area bus, bank or circuit (i.e., amount of generation in the queue) likely to serve the proposed Point of Interconnection.*
- 2.2.3.4 *Available capacity (in MW) of substation/area bus or bank and circuit likely to serve the proposed Point of Interconnection (i.e., total capacity less the sum of existing aggregate generation capacity and aggregate queued generation capacity).*
- 2.2.3.5 *Substation nominal distribution voltage and/or transmission nominal voltage if applicable.*
- 2.2.3.6 *Nominal distribution circuit voltage at the proposed Point of Interconnection.*
- 2.2.3.7 *Approximate circuit distance between the proposed Point of Interconnection and the substation.*
- 2.2.3.8 *Relevant line section(s) actual or estimated peak load and minimum load data, including daytime minimum load as described in section 14.4.4.1.1 below and absolute minimum load, when available.*
- 2.2.3.9 *Number and rating of protective devices and number and type (standard, bi-directional) of voltage regulating devices between the proposed Point of Interconnection and the substation/area. Identify whether the substation has a load tap changer.*
- 2.2.3.10 *Number of phases available at the proposed Point of Interconnection. If a single phase, distance from the three-phase circuit.*
- 2.2.3.11 *Limiting conductor ratings from the proposed Point of Interconnection to the distribution substation.*
- 2.2.3.12 *Whether the Point of Interconnection is located on a spot network, grid network, or radial supply.*
- 2.2.3.13 *Based on the proposed Point of Interconnection, existing or known constraints such as, but not limited to, electrical dependencies at that location, short circuit interrupting*

capacity issues, power quality or stability issues on the circuit, capacity constraints, or secondary networks.

2.2.4 *The pre-application report need only include existing data. A pre-application report request does not obligate the Transmission Provider to conduct a study or other analysis of the proposed generator in the event that data is not readily available. If the Transmission Provider cannot complete all or some of a pre-application report due to lack of available data, the Transmission Provider shall provide the Interconnection Customer with a pre-application report that includes the data that is available. The provision of information on “available capacity” pursuant to section 2.2.3.4 does not imply that an interconnection up to this level may be completed without impacts since there are many variables studied as part of the interconnection review process, and data provided in the pre-application report may become outdated at the time of the submission of the complete Interconnection Request. Notwithstanding any of the provisions of this section, the Transmission Provider shall, in good faith, include data in the pre-application report that represents the best available information at the time of reporting.*

2.3 Comparability.

Transmission Provider shall receive, process and analyze all Interconnection Requests in a timely manner as set forth in this GIP. Transmission Provider will use the same Reasonable Efforts in processing and analyzing Interconnection Requests from all Interconnection Customers, whether the Generating Facilities are owned by Transmission Provider, its subsidiaries or Affiliates or others.

2.4 Base Case Data.

Transmission Provider shall provide current base power flow, short circuit and stability databases, including all underlying assumptions, and contingency list upon request subject to confidentiality provisions in GIP Section 13.1, that the Transmission Provider is using to perform Definitive Interconnection System Impact Studies. Transmission Provider is permitted to require that Interconnection Customer sign a confidentiality agreement before the release of commercially sensitive information or Critical Energy Infrastructure Information in the Base Case data. Such databases and lists, hereinafter referred to as Base Cases, shall include all (i) generation projects and (ii) transmission projects, including merchant transmission projects that are proposed for the Transmission System for which a transmission expansion plan has been submitted and approved by the applicable authority.

2.5 No Applicability to Transmission Service.

Nothing in this GIP shall constitute a request for transmission service or confer upon an Interconnection Customer any right to receive transmission service.

2.6 Participation by the United States Subject to Federal Laws and Regulations

In the event that Western-UGP is the Transmission Owner under any of the provisions or agreements in this GIP, then in such case Section 39.3 of this Tariff is incorporated as if it were a part hereof.

Section 3. Interconnection Requests

3.1 General.

An Interconnection Customer shall submit to Transmission Provider an Interconnection Request in the form of Appendix 1 to this GIP and the deposit along with the other items in Section 3.3.1 of these Generator Interconnection Procedures. Transmission Provider shall apply the deposit toward the cost of the applicable Interconnection Study. Interconnection Customer shall submit a separate Interconnection Request for each site and may submit multiple Interconnection Requests for a single site. Interconnection Customer must submit a deposit with each Interconnection Request even when more than one request is submitted for a single site. An Interconnection Request to evaluate one site at two different voltage levels shall be treated as two Interconnection Requests.

At Interconnection Customer's option, Transmission Provider and Interconnection Customer will identify alternative Point(s) of Interconnection and configurations at the Scoping Meeting to evaluate in this process and attempt to eliminate alternatives in a reasonable fashion given resources and information available. Interconnection Customer will select the definitive Point(s) of Interconnection to be studied no later than the execution of the Interconnection Feasibility Study Agreement.

3.2 Identification of Types of Interconnection Services.

At the time the Interconnection Request is submitted, Interconnection Customer must request either Energy Resource Interconnection Service or Network Resource Interconnection Service, as described; provided, however, any Interconnection Customer requesting Network Resource Interconnection Service may also request that it be concurrently studied for Energy Resource Interconnection Service, up to the point when an Interconnection Facility Study Agreement is executed. Interconnection Customer may then elect to proceed with Network Resource Interconnection Service or to proceed under a lower level of interconnection service to the extent that only certain upgrades will be completed.

3.2.1 Energy Resource Interconnection Service.

3.2.1.1 The Product. Energy Resource Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Transmission System 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. Energy Resource Interconnection Service does not in and of itself convey any right to deliver electricity to any specific customer or Point of Delivery.

3.2.1.2 The Study. The study consists of short circuit/fault duty, steady state (thermal and voltage) and stability analyses. The short circuit/fault duty analysis would identify direct Interconnection Facilities required and the Network Upgrades necessary to address

short circuit issues associated with the Interconnection Facilities. The stability and steady state studies would identify necessary upgrades to allow full output of the proposed Generating Facility and would also identify the maximum allowed output, at the time the study is performed, of the interconnecting Generating Facility without requiring additional Network Upgrades.

3.2.2 Network Resource Interconnection Service.

3.2.2.1 The Product. Transmission Provider must conduct the necessary studies and the Transmission Owner construct the Network Upgrades needed to integrate the Generating Facility in a manner comparable to that in which Transmission Owner integrates its generating facilities to serve Native Load Customers as Network Resources. Network Resource Interconnection Service allows Interconnection Customer's Generating Facility to be designated as a Network Resource, up to the Generating Facility's full output, on the same basis as existing Network Resources interconnected to Transmission Provider's Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur.

3.2.2.2 The Study. The Interconnection Study for Network Resource Interconnection Service shall assure that Interconnection Customer's Generating Facility meets the requirements for Network Resource Interconnection Service and as a general matter, that such Generating Facility's interconnection is also studied with Transmission System at peak load, under a variety of severely stressed conditions, to determine whether, with the Generating Facility at full output, the aggregate of generation in the local area can be delivered to the aggregate of load on Transmission System, consistent with Applicable Reliability Standards. This approach assumes that some portion of existing Network Resources are displaced by the output of Interconnection Customer's Generating Facility. Network Resource Interconnection Service in and of itself does not convey any right to deliver electricity to any specific customer or Point of Delivery. The Transmission Provider may also study the Transmission System under non-peak load conditions. However, upon request by the Interconnection Customer, the Transmission Provider must explain in writing to the Interconnection Customer why the study of non-peak load conditions is required for reliability purposes.

3.3 Valid Interconnection Request.

3.3.1 Initiating an Interconnection Request.

To initiate an Interconnection Request, Interconnection Customer must submit all of the following: (i) a \$10,000 deposit, (ii) a completed application in the form of Appendix 1, and (iii) demonstration of Site Control; provided, however, demonstration of Site Control is not required for inclusion of an Interconnection Request in the Interconnection Feasibility Study Queue. Specifications for acceptable site size for the purpose of demonstrating Site Control are posted on the Transmission Provider's website, available at: <http://sppoasis.spp.org/documents/swpp/transmission/studies/Interconnection%20Request%20Guidelines%20for%20Posting.pdf>; Interconnection Customer may propose an alternative site size for Transmission Provider approval. Transmission Provider shall approve a demonstration of Site Control with an alternative site size when the Interconnection Customer submits to Transmission Provider a final layout drawing of the Generating Facility that includes at a minimum: (i) the spacing and number of turbines; (ii) the cable requirements to interconnect the individual turbines to the collector substation and the cable requirements from the collector substation to the interconnection substation; (iii) the resistance and impedance measurements of the interconnecting cable and (iv) acknowledgment by Interconnection Customer that the layout drawing is intended to be final and not subsequently substantially changed. Interconnection Customer may modify the layout drawing of a project until it submits an Interconnection Request into the Definitive Interconnection System Impact Study Queue ("DISIS Queue"). Once an Interconnection Request has been submitted in the DISIS Queue, and Transmission Provider has approved the final layout drawing and demonstration of Site Control, any subsequent change to the design of the Generating Facility as depicted in the layout drawing will be subject to Section 4.4 and will be evaluated to determine whether the change constitutes a Material Modification under Section 4.4. Deposits provided pursuant to this section shall be applied toward any Interconnection Studies pursuant to the Interconnection Request.

The expected In-Service Date of the new Generating Facility or increase in capacity of the existing Generating Facility shall be no more than the process window for the regional expansion planning period not to exceed seven years from the date the Interconnection Request is received by Transmission Provider, unless Interconnection Customer demonstrates that engineering, permitting and construction of the new Generating Facility or increase in capacity of the existing Generating Facility will take longer than the regional expansion planning period. The In-Service Date may succeed the date the Interconnection Request is received by Transmission Provider by a period up to ten years, or longer where Interconnection Customer and Transmission Provider agree, such agreement not to be unreasonably withheld.

3.3.2 Acknowledgment of Interconnection Request.

Transmission Provider shall acknowledge receipt of the Interconnection Request within five (5) Business Days of receipt of the request and attach a copy of the received Interconnection Request to the acknowledgement.

3.3.3 Deficiencies in Interconnection Request.

An Interconnection Request will not be considered to be a valid request until all items in Section 3.3.1 have been received by Transmission Provider; provided however, that demonstration of Site Control is not required for inclusion of an Interconnection Request in the Interconnection Feasibility Study Queue. If an Interconnection Request fails to meet the requirements set forth in Section 3.3.1, Transmission Provider shall notify Interconnection Customer within five (5) Business Days of receipt of the initial Interconnection Request of the reasons for such failure and that the Interconnection Request does not constitute a valid request. In the event that Transmission Provider discovers or verifies a deficiency later in the GIP process, Transmission Provider will notify Interconnection Customer as soon as practicable. Interconnection Customer shall provide Transmission Provider the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice. Failure by Interconnection Customer to comply with this Section 3.3.3 shall be treated in accordance with Section 3.6.

3.3.4 Scoping Meeting.

Within ten (10) Business Days after receipt of a valid Interconnection Request, Transmission Provider shall establish a date agreeable to the Transmission Owner and the Interconnection Customer for the Scoping Meeting, and such date shall be no later than thirty (30) Calendar Days from receipt of the valid Interconnection Request, unless otherwise mutually agreed upon by the Parties.

The purpose of the Scoping Meeting shall be to discuss alternative interconnection options, to exchange information including any transmission data that would reasonably be expected to impact such interconnection options, to analyze such information and to determine the potential feasible Points of Interconnection. Transmission Provider, Transmission Owner and Interconnection Customer shall provide such technical data, including, but not limited to: (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting. Transmission Provider, Transmission Owner and Interconnection Customer will also make available personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On the basis of the meeting, Interconnection Customer shall designate its Point of Interconnection, pursuant to Section 6.1, and one or

more available alternative Point(s) of Interconnection. The duration of the meeting shall be sufficient to accomplish its purpose.

3.3.5 Environmental Review.

In the event the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP, the Interconnection Request shall be subject to an Environmental Review as described in Section 8.6.1 of this GIP. The Interconnection Customer may request that the Environment Review begin any time after the Interconnection Request is accepted.

3.4 OASIS Posting.

Transmission Provider will maintain on its OASIS a list of all Interconnection Requests. The list will identify, for each Interconnection Request: (i) the maximum summer and winter megawatt electrical output; (ii) the location by county and state; (iii) the station or transmission line or lines where the interconnection will be made; (iv) the projected In-Service Date; (v) the status of the Interconnection Request, including Initial Queue Position, and Interconnection Queue Position, as applicable; (vi) the type of Interconnection Service being requested; and (vii) the availability of any studies related to the Interconnection Request; (viii) the date of the Interconnection Request; (ix) the type of Generating Facility to be constructed (combined cycle, base load or combustion turbine and fuel type); and (x) for Interconnection Requests that have not resulted in a completed interconnection, an explanation as to why it was not completed. The list will not disclose the identity of Interconnection Customer until Interconnection Customer executes a GIA or requests that Transmission Provider file an unexecuted GIA with FERC. Transmission Provider shall post to its OASIS site any deviations from the study timelines set forth herein. Interconnection Study reports and Re-Study reports shall be posted to Transmission Provider's OASIS site subsequent to the meeting between Interconnection Customer and Transmission Provider to discuss the applicable study results. Transmission Provider shall also post any known deviations in the Generating Facility's In-Service Date.

3.5 Coordination with Affected Systems.

Transmission Provider will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators and, if possible, include those results (if available) in its applicable Interconnection Study within the time frame specified in this GIP. Transmission Provider will include such Affected System Operators in all meetings held with Interconnection Customer as required by this GIP. Interconnection Customer will cooperate with Transmission Provider in all matters related to the conduct of studies and the determination of modifications to Affected Systems. A Transmission Provider which may be an Affected System shall cooperate with Transmission Provider with whom interconnection has been

requested in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

3.6 Withdrawal.

Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to Transmission Provider. In addition, if Interconnection Customer fails to adhere to all requirements of this GIP, except as provided in Section 13.5 (Disputes), Transmission Provider shall deem the Interconnection Request to be withdrawn and shall provide written notice to Interconnection Customer of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, Interconnection Customer shall have fifteen (15) Business Days in which to either respond with information or actions that cures the deficiency or to notify Transmission Provider of its intent to pursue Dispute Resolution.

Withdrawal shall result in the loss of Interconnection Customer's Initial Queue Position or Interconnection Queue Position, as applicable, and the forfeiture of milestone deposits provided in Sections 8.2 and 8.9, as applicable. If an Interconnection Customer disputes the withdrawal and loss of its Initial Queue Position or Interconnection Queue Position, then during Dispute Resolution, Interconnection Customer's Interconnection Request is eliminated from the applicable Queue until such time that the outcome of Dispute Resolution would restore its Initial Queue Position or Interconnection Queue Position. An Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request shall pay to Transmission Provider all costs that Transmission Provider prudently incurs with respect to that Interconnection Request prior to Transmission Provider's receipt of notice described above. Interconnection Customer must pay all monies due to Transmission Provider before it is allowed to obtain any Interconnection Study data or results.

Transmission Provider shall (i) update the OASIS list of Interconnection Requests and (ii) refund to Interconnection Customer any portion of Interconnection Customer's deposit or study payments that exceeds the costs that Transmission Provider has incurred, including interest calculated in accordance with Section 35.19a(a)(2) of FERC's regulations. In the event of such withdrawal, Transmission Provider, subject to the confidentiality provisions of Section 13.1, shall provide, at Interconnection Customer's request, all information that Transmission Provider developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

Section 5. Procedures for Interconnection Requests Submitted Prior to Effective Date of Generator Interconnection Procedures

5.1 Transition Procedures.

5.1.1 Any Interconnection Request that does not have an executed GIA or requested a GIA be filed unexecuted with FERC as of March 1, 2014 (“Revision Date”) shall be subject to this GIP. Any Interconnection Customer that fails to meet these requirements shall have its Interconnection Request deemed withdrawn pursuant to Section 3.6.

5.1.1.1 Any Interconnection Request in the Feasibility Study Queue and the PISIS Queue will transition to the revised GIP upon the completion of the Feasibility Study or the PISIS that the Interconnection Request is being studied in at the time of the Revision Date.

5.1.1.2 Any Interconnection Request in the DISIS Queue for which an Interconnection Facilities Study Agreement has not yet been executed as of *June 13, 2014, the date of the Commission’s Order in Docket No. ER14-781 (“FERC Order Date”)*, shall *transition to the Revised GIP by meeting the requirements in Section 8.2 by the date in Section 5.1.3.*

5.1.1.3 Any Interconnection Request in the DISIS Queue for which an Interconnection Facilities Study Agreement has been executed as of the *FERC Order Date*, shall *transition to the revised GIP by meeting the requirements of Sections 8.2 and 8.9 by the date in Section 5.1.3* and will be assigned an Interconnection Queue Position for cost assignment purposes based upon its current DISIS Queue Cluster Window.

5.1.2 Any Interconnection Request for which a GIA has been executed or has been filed unexecuted with FERC as of the Revision Date shall not be subject to this GIP unless the Interconnection Customer is *currently* not meeting the milestones listed in Appendix B of its GIA *or subsequently does not meet the milestones listed in Appendix B of its GIA*. An Interconnection Customer not meeting its milestones shall be required to conform to Sections 8.2 and 8.9 of this GIP. If an Interconnection Customer is not meeting the milestones in Appendix B of its GIA, the Transmission Provider shall revise the GIA to conform to this GIP and shall file such revised GIA at FERC.

5.1.3 Transition Period.

An Interconnection Customer with an Interconnection Request that has not executed a GIA as of the Revision Date shall transition to the revised GIP within sixty (60) Calendar Days of *the FERC Order Date*.

5.2 New Transmission Provider.

If Transmission Provider transfers control of its Transmission System to a successor Transmission Provider during the period when an Interconnection Request is pending, the original Transmission Provider shall transfer to the successor Transmission Provider any amount of the deposit or payment with interest thereon that exceeds the cost that it incurred to evaluate the request for interconnection. Any difference between such net amount and the deposit or payment required by this GIP shall be paid by or refunded to the Interconnection Customer, as appropriate. The original Transmission Provider shall coordinate with the successor Transmission Provider to complete any Interconnection Study, as appropriate, that the original Transmission Provider has begun but has not completed. If Transmission Provider has tendered a draft GIA to Interconnection Customer but Interconnection Customer has not either executed the GIA or requested the filing of an unexecuted GIA with FERC, unless otherwise provided, Interconnection Customer must complete negotiations with the successor Transmission Provider.

For a generating facility on the original Transmission Provider's Transmission System with an effective generator interconnection agreement that requires an operating guide to implement operating restrictions, and if such operating guide has not been completed at the time the original Transmission Provider transfers control of its Transmission System to the successor Transmission Provider, the successor Transmission Provider shall perform a study to determine the operating restrictions of the generating facility.

Section 8. Definitive Planning Phase

8.1 Definitive Interconnection System Impact Study Agreement.

Unless otherwise agreed, pursuant to the Scoping Meeting provided in Section 3.3.4, simultaneously with the delivery of the Preliminary Interconnection System Impact Study to Interconnection Customer or simultaneously with the acknowledgement of a valid Interconnection Request indicating that a Definitive Interconnection System Impact Study is to be performed, Transmission Provider shall provide to Interconnection Customer a Definitive Interconnection System Impact Study Agreement in the form of Appendix 3A to this GIP. The Definitive Interconnection System Impact Study Agreement shall provide that Interconnection Customer shall compensate Transmission Provider for the actual cost of the Definitive Interconnection System Impact Study. Within three (3) Business Days following the Preliminary Interconnection System Impact Study results meeting described under Section 7.5, or within (3) Business Days following acknowledgement of a valid Interconnection Request indicating that a Definitive Interconnection System Impact Study is to be performed, Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Definitive Interconnection System Impact Study.

8.2 Execution of Definitive Interconnection System Impact Study Agreement.

Interconnection Customer shall execute the Definitive Interconnection System Impact Study Agreement and deliver the executed Definitive Interconnection System Impact Study Agreement to Transmission Provider following its receipt no later than the lesser of (i) thirty (30) Calendar Days or (ii) the Calendar Days remaining prior to close of the DISIS Queue Cluster Window, along with each of the following:

- a. Demonstration of Site Control;
- b. Study deposit, which shall be one of the following:
 1. \$15,000 deposit for requests less than or equal to 2 MW (See Section 13.3 for requirements for this deposit to be considered refundable);
 2. \$25,000 deposit for requests greater than 2 MW and less than or equal to 20 MW (See Section 13.3 for requirements for this deposit to be considered refundable);
 3. \$40,000 deposit for requests of greater than 20 MW and less than 75 MW (See Section 13.3 for requirements for this deposit to be considered refundable); or

- 4. \$80,000 deposit for requests greater than or equal to 75 MW (See Section 13.3 for requirements for this deposit to be considered refundable);
- c. Definitive Point of Interconnection;
- d. Definitive plant size (MW);
- e. Technical information required in Appendix 7 of this GIP, if applicable; and
- f. Security deposit equal to \$1000/MW of the plant size (refundable at commercial operation or if Interconnection Request is withdrawn prior to the execution of the Interconnection Facilities Study Agreement).

If the Definitive Interconnection System Impact Study uncovers any unexpected result(s) not contemplated during the Interconnection Feasibility Study or the Preliminary Interconnection System Impact Study, a substitute Point of Interconnection identified by Transmission Provider may be substituted for the designated Point of Interconnection specified above without loss of Initial Queue Position, and restudies shall be completed pursuant to Section 8.8 as applicable.

8.3 DISIS Review Period

The DISIS Review Period shall be the thirty (30) Calendar Day period following the close of the DISIS Queue Cluster Window during which the Transmission Provider will validate Interconnection Requests. The Transmission Provider shall notify the Interconnection Customer of any deficiencies that would warrant removal from the DISIS Queue. Interconnection Customer shall have fifteen (15) Business Days from the date of the notice to cure any deficiencies, *which may extend beyond the DISIS Review Period*. If the Interconnection Customer does not cure the deficiencies within such time period, the Interconnection Request shall be deemed withdrawn. Transmission Provider may conduct additional Scoping Meetings during the DISIS Review Period.

8.4 Scope of Definitive Interconnection System Impact Study.

The Definitive Interconnection System Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the Transmission System. The Definitive Interconnection System Impact Study will consider two different scenarios as described below.

- 8.4.1** The “Cluster Scenario” will consider the Base Case, as well as all Interconnection Requests in the Definitive Interconnection System Impact Study Queue and all generating facilities (and with respect to (iii) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Definitive Interconnection System Impact Study is commenced:

- (i) are directly interconnected to the Transmission System;
- (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request;
- (iii) have a pending higher queued Interconnection Request to interconnect to the Transmission System; and
- (iv) have no Interconnection Queue Position but have executed a GIA or requested that an unexecuted GIA be filed with FERC.

8.4.2 The “Stand Alone Scenario” will consider the Base Case as well as all generating facilities (and with respect to (iii) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Definitive Interconnection System Impact Study is commenced:

- (i) are directly interconnected to the Transmission System;
- (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request;
- (iii) have a pending higher queued Interconnection Request to interconnect to the Transmission System; and
- (iv) have no Interconnection Queue Position but have executed a GIA or requested that an unexecuted GIA be filed with FERC.

The Definitive Interconnection System Impact Study will consist of a short circuit analysis, a stability analysis, and a power flow analysis. The Definitive Interconnection System Impact Study will state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing the requested interconnection service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. The Definitive Interconnection System Impact Study will provide a list of facilities that are required as a result of the Interconnection Request and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

8.4.3 Availability of Limited Operation.

If the Definitive Interconnection System Impact Study “Stand Alone Scenario” as defined in Section 8.4.2 determines that the full

amount of interconnection capacity requested by the Interconnection Customer is not available by its requested Commercial Operation Date due to transmission constraints that may be remedied by an upgrade(s) with an in-service date beyond the Commercial Operation Date proposed by the Interconnection Customer, the Transmission Provider shall quantify the amount of interconnection capacity available to the Interconnection Customer prior to the in-service date of such upgrade(s) (“Limited Operation”). The Interconnection Customer shall be notified of the amount of interconnection capacity available under the Limited Operation condition. The Interconnection Customer may choose to proceed with Limited Operation by executing the Limited Operation Interconnection Facilities Study Agreement in Appendix 4A. The Interconnection Customer may also be subject to conditions in Section 8.7 of the GIP.

8.4.4 Facilities Analysis.

During the Definitive Interconnection System Impact Study, the Transmission Provider shall specify and estimate the cost of the equipment, engineering, procurement and construction work needed for transmission facilities at the Point of Interconnection to physically and electrically connect the Generating Facility to the Transmission System (“Facilities Analysis”). The Facilities Analysis shall also identify the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear, meters, and other station equipment; the nature and estimated cost of any Transmission Owner's Interconnection Facilities and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities. The results of the Facility Analysis shall be utilized as part of the Interconnection Facilities Study.

8.5 Definitive Interconnection System Impact Study Procedures.

- a. Transmission Provider shall coordinate the Definitive Interconnection System Impact Study with any Affected System that is affected by the Interconnection Request pursuant to Section 3.5 above. Transmission Provider shall utilize existing studies to the extent practicable when it performs the study. Interconnection Requests for Definitive System Impact Studies may be submitted within the DISIS Queue Cluster Window and the Transmission Provider shall perform Definitive Interconnection System Impact Studies every one-hundred-eighty (180) days. Transmission Provider shall use Reasonable Efforts to complete the Definitive Interconnection System Impact Study no later than one-

hundred-twenty (120) Calendar Days after the close of the DISIS Queue Cluster Window.

- b. At the request of Interconnection Customer or at any time Transmission Provider determines that it will not meet the required time frame for completing the Definitive Interconnection System Impact Study, Transmission Provider shall notify Interconnection Customer as to the schedule status of the Definitive Interconnection System Impact Study. If Transmission Provider is unable to complete the Definitive Interconnection System Impact Study within the time period, it shall notify Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, Transmission Provider shall provide Interconnection Customer all supporting documentation, workpapers and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases for the Definitive Interconnection System Impact Study, subject to confidentiality arrangements consistent with Section 13.1.

8.6 Meeting with Transmission Provider.

Within ten (10) Business Days of providing a Definitive Interconnection System Impact Study report to Interconnection Customer, Transmission Provider, Transmission Owner and Interconnection Customer shall meet to discuss the results of the Definitive Interconnection System Impact Study.

The Interconnection Customer shall notify the Transmission Provider of its intent to remain in the DISIS Queue at the meeting with the Transmission Provider, but no later than 30 calendar days after the DISIS report is provided to the Interconnection Customer. If the Interconnection Customer chooses to remain in the DISIS Queue, this option may be invoked by the Interconnection Customer a maximum of two additional DISIS cycles, subject to the Interconnection Customer's continued payment of study costs in accordance with Section 13.3.

8.6.1 Environmental Review.

This Section 8.6.1 applies only in the event the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP. Unless previously requested, Western-UGP shall use Reasonable Efforts to tender, within fifteen (15) Calendar Days of Transmission Provider providing the Definitive Interconnection System Impact Study report to Interconnection Customer, an Environmental Review agreement authorizing Western-UGP, at Interconnection Customer's expense, to perform environmental review of the proposed interconnection to Western-UGP's transmission facilities, including review under NEPA, 42 U.S.C. §4321, et seq., as amended, and setting forth Interconnection Customer's responsibilities in connection with such

environmental review. The Environmental Review agreement shall contain a non-binding good faith estimate of the cost and timeframe for completing the Environmental Review. Interconnection Customer shall execute the environmental review agreement and return it, with the estimated funds set forth in the agreement based upon the level of Environmental Review required, to Western-UGP within thirty (30) Calendar Days after receipt by the Interconnection Customer. If an executed Environmental Review agreement and the required funds are not provided in the manner set forth above, the Interconnection Request shall be deemed withdrawn. Notwithstanding the provisions of Section 3.6, an Interconnection Customer shall have no right to cure the failure to deliver the executed Environmental Review agreement or the required funds in the timeframe identified above. If the costs incurred by Western-UGP are less than the deposit submitted by Interconnection Customer, Western-UGP shall refund the difference, without interest, as soon as the necessary vouchers are prepared. In addition, if at any time prior to the issuance of Western-UGP's final NEPA decisional document the Interconnection Customer fails to comply with the terms of the Environmental Review agreement, Western-UGP shall notify the Transmission Provider of the Interconnection Customer's failure. Upon such notification, Transmission Provider may deem the Interconnection Request withdrawn.

8.6.1.1 Environmental Review Procedures.

- a. After receipt of an executed Environmental Review agreement, Western-UGP shall use Reasonable Efforts to complete the study and issue a draft study report to Interconnection Customer within eighteen (18) months, or the actual time required to complete the necessary level of Environmental Review.
- b. At the request of Interconnection Customer or at any time Western-UGP determines that it will not meet the required time frame for completing the Environmental Review, Western-UGP shall notify Interconnection Customer as to the schedule status of the Environmental Review. If Western-UGP is unable to complete the Environmental Review within the time required, it shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required.
- c. Western-UGP shall notify the Transmission Provider of the schedule status of the Environmental Review.

8.7 Interconnection Requests That Require Previously Approved Network Upgrades.

At the completion of the Definitive Interconnection System Impact Study, the Definitive Interconnection System Impact Study may identify one or more Network Upgrades previously approved for construction under Section VI of Attachment O of this Tariff (“Previously Approved Network Upgrade”) and required to be in-service prior to an Interconnection Customer’s Commercial Operation Date. If a Previously Approved Network Upgrade will not be in-service prior to the Interconnection Customer’s Commercial Operation Date, Interconnection Customer’s Commercial Operation Date may be extended for a maximum period of three (3) years pursuant to Section 4.4.4 to accommodate the in-service date for a Previously Approved Network Upgrade. If the three (3) year extension is not sufficient for a Previously Approved Network Upgrade to be placed into service prior to the Interconnection Customer’s Commercial Operation Date, the Interconnection Customer will not be tendered an Interconnection Facilities Study Agreement. The Transmission Provider shall tender a Limited Operation Interconnection Facilities Study Agreement in the form of Appendix 4A to the Interconnection Customer. If the Interconnection Customer executes the Limited Operation Interconnection Facilities Study Agreement, the Interconnection Customer agrees to the following conditions for moving into the Interconnection Facilities Study:

- a. The Generating Facility will be allowed to operate under Limited Operation in accordance with Section 8.4.3 before a Previously Approved Network Upgrade is placed into service;
- b. The Interconnection Customer will meet all requirements of the GIP;
and
- c. The Interconnection Customer will provide financial security and authorize engineering, procurement, and construction of its cost assigned Network Upgrades and interconnection facilities no later than thirty (30) days after the effective date of the GIA.

If the Interconnection Customer declines to execute the Limited Operation Interconnection Facilities Study Agreement, the Interconnection Customer may either remain in the DISIS Queue, withdraw the Interconnection Request or request a reduction in the amount of interconnection capacity in Interconnection Customer’s Interconnection Request. *Interconnection Customer may elect to remain in the DISIS Queue as described in Section 8.6.*

8.8 Re-Study.

If Re-Study of the Definitive Interconnection System Impact Study is required due to a higher queued or equal priority queued project dropping out of the queue, or a modification of a higher queued project subject to Section 4.4, or re-designation of the Point of Interconnection pursuant to Section 8.2, or more than one Interconnection Customer (with similar electrical impacts as determined by the Transmission Provider) meeting all requirements of the Interconnection Facilities Study Agreement, the Transmission Provider shall notify Interconnection Customer in writing. Such Re-Study shall take no longer than sixty (60) Calendar Days from the date of notice. Any cost of Re-Study, as reduced by deposit amounts retained for other Interconnection Customer(s) under Section 13.3, shall be borne by the Interconnection Customer(s) being re-studied. Restudies will not be required of the Definitive Interconnection System Impact Study "Cluster Scenario" as the "Cluster Scenario" will be automatically re-evaluated for every open season.

After the completion of the Restudy, an Interconnection Customer that is being restudied as a result of more than one Interconnection Customer meeting all requirements of the Interconnection Facilities Study Agreement may elect to remain in the Interconnection Facilities Study Queue, return to the DISIS Queue, subject to the limitations described in Section 8.6, or withdraw its Interconnection Request and receive a refund of its security deposit in accordance with Section 8.9.b.

8.9 Interconnection Facilities Study Agreement.

Simultaneously with the delivery of the Definitive Interconnection System Impact Study to Interconnection Customer, Transmission Provider shall provide to Interconnection Customer an Interconnection Facilities Study Agreement in the form of Appendix 4 to this GIP or a Limited Operation Interconnection Facilities Study Agreement in the form of Appendix 4A to this GIP. The Interconnection Facilities Study Agreement and the Limited Operation Interconnection Facilities Study Agreement shall provide that Interconnection Customer shall compensate Transmission Provider for the actual cost of the Interconnection Facilities Study. Within three (3) Business Days following the Definitive Interconnection System Impact Study results meeting, Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study. Interconnection Customer shall within thirty (30) Calendar Days after receipt, execute and provide to the Transmission Provider the Interconnection Facilities Study Agreement or the Limited Operation Interconnection Facilities Study Agreement, and deliver the executed Interconnection Facilities Study Agreement to Transmission Provider within thirty (30) Calendar Days after its receipt, together with the required technical data along with a security deposit equal to \$3000/MW of the plant size. This security deposit is in addition to any amount provided in Section 8.2. This security deposit shall be applied as follows:

- a. The security deposit is refundable, *with accrued interest, if any*, if the Interconnection Request is withdrawn prior to the execution of a GIA or a request to file the GIA at the Commission unexecuted unless the following conditions exist:
 1. the withdrawal of the Interconnection Request is determined by Transmission Provider to cause increased facility upgrade cost to any Interconnection Customer in the Interconnection Facilities Queue; and
 2. the total Network Upgrade cost estimates in the Interconnection Facilities Study increased by less than twenty-five percent (25%) over the Network Upgrade cost estimates in the Definitive Interconnection System Impact Study for the withdrawing Interconnection Customer.

If the security deposit is retained, it shall be applied toward the cost of constructing any Network Upgrades assigned to an Interconnection Customer as a result of the withdrawal. Any remaining funds shall be refunded to the Interconnection Customer with accrued interest, if any.
- b. *The security deposit is refundable, with accrued interest, if any, if subsequent to the payment of the security deposit the Interconnection Customer elects to return to the DISIS Queue or withdraws the Interconnection Request as a result of more than one Interconnection Customer moving into the Interconnection Facilities Study Queue at the same time.*
- c. Following the execution of a GIA or the filing of an unexecuted GIA at the Commission, the security deposit shall be applied toward the cost of constructing any Network Upgrades and Interconnection Facilities identified in the GIA. Any remaining funds shall be refunded to the Interconnection Customer following the Commercial Operation Date or otherwise subject to terms of the GIA.

8.10 Scope of Interconnection Facilities Study.

The Interconnection Facilities Study shall specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Definitive Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility to the Transmission System. The Interconnection Facilities Study shall also identify the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear, meters,

and other station equipment; the nature and estimated cost of any Transmission Owner's Interconnection Facilities and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities.

The Interconnection Facilities Study shall utilize results of the Facility Analysis from the Definitive Interconnection System Impact Study performed in accordance with Section 8.4.4.

8.11 Interconnection Facilities Study Procedures.

- a. Transmission Provider shall coordinate the Interconnection Facilities Study with any Affected System pursuant to Section 3.5 above. Transmission Provider shall utilize existing studies to the extent practicable in performing the Interconnection Facilities Study. Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within the following number of days after receipt of an executed Interconnection Facilities Study Agreement: ninety (90) Calendar Days, with no more than a +/- 20 percent cost estimate contained in the report.
- b. At the request of Interconnection Customer or at any time Transmission Provider determines that it will not meet the required time frame for completing the Interconnection Facilities Study, Transmission Provider shall notify Interconnection Customer as to the schedule status of the Interconnection Facilities Study. If Transmission Provider is unable to complete the Interconnection Facilities Study and issue a draft Interconnection Facilities Study report within the time required, it shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required.
- c. Interconnection Customer may, within thirty (30) Calendar Days after receipt of the draft report, provide written comments to Transmission Provider, which Transmission Provider shall include in the final report. Transmission Provider shall issue the final Interconnection Facilities Study report within fifteen (15) Business Days of receiving Interconnection Customer's comments or promptly upon receiving Interconnection Customer's statement that it will not provide comments. Transmission Provider may reasonably extend such fifteen-day period upon notice to Interconnection Customer if Interconnection Customer's comments require Transmission Provider to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Report. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation, workpapers, and databases or data developed in the preparation of the Interconnection Facilities Study, subject to confidentiality arrangements consistent with Section 13.1.

8.12 Meeting with Transmission Provider.

Within ten (10) Business Days of providing a draft Interconnection Facilities Study report to Interconnection Customer, Transmission Provider, Transmission Owner and Interconnection Customer shall meet to discuss the results of the Interconnection Facilities Study.

8.13 Re-Study.

If Re-Study of the Interconnection Facilities Study is required due to a higher or equal priority queued project dropping out of the queue or a modification of a higher queued project pursuant to Section 4.4, Transmission Provider shall so notify Interconnection Customer in writing. Such Re-Study shall take no longer than sixty (60) Calendar Days from the date of notice. Any cost of Re-Study, as reduced by deposit amounts retained under Section 13.3, shall be borne by the Interconnection Customer(s) being re-studied.

Section 9. Engineering & Procurement ('E&P') Agreement

Prior to executing a GIA, an Interconnection Customer may, in order to advance the implementation of its interconnection, request and Transmission Owner shall offer the Interconnection Customer, an E&P Agreement that authorizes Transmission Owner to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection. However, Transmission Owner shall not be obligated to offer an E&P Agreement if Interconnection Customer is in Dispute Resolution as a result of an allegation that Interconnection Customer has failed to meet any milestones or comply with any prerequisites specified in other parts of the GIP. The E&P Agreement is an optional procedure and it will not alter the Interconnection Customer's Interconnection Queue Position or In-Service Date. The E&P Agreement shall provide for Interconnection Customer to pay the cost of all activities authorized by Interconnection Customer and to make advance payments or provide other satisfactory security for such costs. An E&P Agreement executed by Western-UGP, as the Transmission Owner, requires advance payments.

Interconnection Customer shall pay the cost of such authorized activities and any cancellation costs for equipment that is already ordered for its interconnection, which cannot be mitigated as hereafter described, whether or not such items or equipment later become unnecessary. If Interconnection Customer withdraws its application for interconnection or either Party terminates the E&P Agreement, to the extent the equipment ordered can be canceled under reasonable terms, Interconnection Customer shall be obligated to pay the associated cancellation costs. To the extent that the equipment cannot be reasonably canceled, Transmission Owner may elect: (i) to take title to the equipment, in which event Transmission Owner shall refund Interconnection Customer any amounts paid by Interconnection Customer for such equipment and shall pay the cost of delivery of such equipment, or (ii) to transfer title to and deliver such equipment to Interconnection Customer, in which event Interconnection Customer shall pay any unpaid balance and cost of delivery of such equipment.

Section 11. Generator Interconnection Agreement (GIA)

11.1 Tender.

Interconnection Customer shall tender comments on the draft Interconnection Facilities Study report within thirty (30) Calendar Days of receipt of the report. Simultaneously with issuance of the final Interconnection Facilities Study report, the Transmission Provider shall tender to the Interconnection Customer a draft GIA together with draft appendices. The draft GIA shall be in the form of the Transmission Provider's FERC-approved standard form GIA, which is in Appendix 6, or Appendix 13 when Western-UGP is a Party, as the Transmission Owner, to the GIA. The Transmission Provider, Transmission Owner and the Interconnection Customer shall negotiate concerning provisions of the appendices to the draft GIA for not more than sixty (60) Calendar Days after tender of the final Interconnection Facilities Study report. If the Transmission Provider identifies that Interconnection Facilities or Network Upgrades are required on the Western-UGP Transmission System, the GIA shall be subject to completion of the appropriate NEPA level of Environmental Review. Until the required NEPA decision document is issued, no construction activities relating to the transmission facilities of Western-UGP shall commence and may impact the Commercial Operation Date for the Interconnection Request. Such NEPA related restrictions, if applicable, shall be set forth in the GIA.

11.2 Negotiation.

Notwithstanding Section 11.1, at the request of Interconnection Customer Transmission Provider and the Transmission Owner shall begin negotiations with Interconnection Customer concerning the appendices to the GIA at any time after Interconnection Customer executes the Interconnection Facilities Study Agreement. Transmission Provider, Transmission Owner and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft GIA for not more than sixty (60) Calendar Days after tender of the final Interconnection Facilities Study report. If Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft GIA pursuant to Section 11.1 and request submission of the unexecuted GIA with FERC or initiate Dispute Resolution procedures pursuant to Section 13.5. If Interconnection Customer requests termination of the negotiations, but within sixty (60) Calendar Days thereafter fails to request either the filing of the unexecuted GIA or initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if Interconnection Customer has not executed the GIA, requested filing of an unexecuted GIA, or initiated Dispute Resolution procedures pursuant to Section 13.5 within sixty (60) Calendar Days of tender of draft GIA appendices, it shall be deemed to have withdrawn its Interconnection Request. Transmission Provider shall provide to Interconnection Customer a final GIA within fifteen (15) Business Days after the completion of the negotiation process.

11.3 Execution and Filing.

Within fifteen (15) Business Days after receipt of the final GIA, Interconnection Customer shall provide Transmission Provider (A) reasonable evidence of continued Site Control or (B) posting of \$250,000, non-refundable additional security, which shall be applied toward future construction costs. At the same time, Interconnection Customer also shall provide reasonable evidence that one or more of the following milestones in the development of the Generating Facility, at Interconnection Customer election, has been achieved: (i) the execution of a contract for the supply or transportation of fuel to the Generating Facility; (ii) the execution of a contract for the supply of cooling water to the Generating Facility; (iii) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Generating Facility; (iv) execution of a contract (or comparable evidence) for the sale of electric energy or capacity from the Generating Facility; (v) statement signed by an officer or authorized agent of the Interconnection Customer attesting the Generating Facility is included in an applicable state resource plan; (vi) other information that the Transmission Provider deems to be reasonable evidence that the Generating Facility will qualify as a Designated Resource; or (vii) application for an air, water, or land use permit. The Transmission Provider will not execute the final Generator Interconnection Agreement unless the Interconnection Customer provides the information described in this paragraph.

Within fifteen (15) Business Days after receipt of the final GIA, the Interconnection Customer shall either: (i) execute three originals of the tendered GIA and return them to Transmission Owner who will execute them and forward them to the Transmission Provider; or (ii) request in writing that Transmission Provider file with FERC a GIA in unexecuted form. As soon as practicable, but not later than thirty (30) Calendar Days after receiving either the three executed originals of the tendered GIA (if it does not conform with a FERC-approved standard form of interconnection agreement) or ten (10) Business Days after receiving the request to file an unexecuted GIA, Transmission Provider shall file the GIA with FERC, together with its explanation of any matters as to which Interconnection Customer, Transmission Owner and Transmission Provider disagree and support for the costs that Transmission Provider and/or the Transmission Owner propose to charge to Interconnection Customer under the GIA. An unexecuted GIA should contain terms and conditions deemed appropriate by Transmission Provider and the Transmission Owner for the Interconnection Request. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted GIA, they may proceed pending FERC action.

11.4 Commencement of Interconnection Activities.

If Interconnection Customer executes the final GIA, Transmission Provider, the Transmission Owner and Interconnection Customer shall perform their respective obligations in accordance with the terms of the GIA, subject to modification by

FERC. Upon submission of an unexecuted GIA, Interconnection Customer, Transmission Owner and Transmission Provider shall promptly comply with the unexecuted GIA, subject to modification by FERC.

Section 11A. Interim Generator Interconnection Agreement (Interim GIA)

11A.1 Availability.

Interconnection Customers with pending Interconnection Requests relating to Generating Facilities that have anticipated In-Service Dates prior to the expected completion of the Interconnection Studies pursuant to this Attachment V may request Interim Interconnection Service, execute a Interim Generator Interconnection Agreement (Interim GIA) and receive Interim Interconnection Service pursuant to the terms and conditions of this Section 11A and the Interim GIA. Execution of an Interim GIA and receipt of Interim Interconnection Service is an optional procedure and will not alter the Interconnection Customer's Interconnection Queue Position. Interim Interconnection Service may be terminated at any point that a Generating Facility with an Interconnection Request that has a higher Interconnection Queue Position goes into Commercial Operation and Transmission Provider determines that Interim Interconnection Service and Interconnection Service cannot be provided to more than one Interconnection Customer simultaneously.

11A.2 Eligibility.

Interconnection Customers shall be eligible for Interim Interconnection Service under the following conditions:

11A.2.1 Interconnection Customer has provided Transmission Provider: (i) reasonable evidence of continued Site Control or posting of \$250,000, non-refundable additional security, which shall be applied toward future construction costs; and (ii) reasonable evidence that one or more of the following milestones in the development of the Generating Facility, at Interconnection Customer election, has been achieved: (a) the execution of a contract for the supply or transportation of fuel to the Generating Facility; (b) the execution of a contract for the supply of cooling water to the Generating Facility; (c) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Generating Facility; (d) execution of a contract (or comparable evidence) for the sale of electric energy or capacity from the Generating Facility; (e) statement signed by an officer or authorized agent of the Interconnection Customer attesting the Generating Facility is included in an applicable state resource plan; (f) other information that the Transmission Provider deems to be reasonable evidence that the Generating Facility will qualify as a Designated Resource; or (g) application for an air, water, or land use permit. The Transmission Provider will not execute the Interim Generator Interconnection Agreement unless the Interconnection Customer provides the information described in this paragraph.

- 11A.2.2** Interconnection Customer has met the terms and conditions to be included in Transmission Provider's Definitive Interconnection System Impact Study Queue pursuant to Section 8.2;
- 11A.2.3** Interconnection Customer has submitted in writing to Transmission Provider a request for Interim Interconnection Service;
- 11A.2.4** Interconnection Customer has entered into a study agreement pursuant to which it has agreed to pay all costs, including deposits for any additional studies deemed necessary by Transmission Provider to evaluate the feasibility of the Interconnection Customer's requested Interim Interconnection Service;
- 11A.2.4.1** The Interim Availability Interconnection System Impact Study will maintain the scope and procedures of the Definitive Interconnection System Impact Study with the exception that certain previous queued Interconnection Requests may not be included in the study. Such exceptions and reasons for those exceptions will be noted in the study.
- 11A.2.4.2** The cost of the Interim Availability Interconnection System Impact Study will be subtracted from the Customer's deposit submitted for the Definitive Interconnection System Impact Study.
- 11A.2.5** Transmission Provider has determined based upon the results of the additional studies, taking into account the Interconnection Customer's In-Service Date and the Transmission System topology upon such date that there will be sufficient stability and reliability margin to accommodate Interim Interconnection Service to the Interconnection Customer's Generating Facility;
- 11A.2.6** Interconnection Customer has executed an Interim GIA in accordance with Section 11A.3; and
- 11A.2.7** Interconnection Customer has provided security in accordance with Article 11.5 of the Interim GIA.

11A.3 Tender, Negotiation, Execution and Filing of Interim GIA.

- 11A.3.1** Upon completion of Transmission Provider's analysis referenced in Section 11A.2.5, Transmission Provider shall notify Interconnection Customer in writing whether Interim Interconnection Service is feasible. In the event that Interconnection Customer's requested Interim Interconnection Service is feasible, Transmission Provider shall tender to the Interconnection Customer a draft Interim GIA together with

appendices. The draft Interim GIA shall be in the form of the Transmission Provider's FERC-approved standard form Interim GIA, which is in Appendix 8, or in Appendix 14 when Western-UGP is a Party, as the Transmission Owner, to the Interim GIA. If the Transmission Provider identifies that Interconnection Facilities or Network Upgrades are required on the Western-UGP Transmission System, the Interim GIA shall be subject to completion of the appropriate NEPA level of Environmental Review. Until the required NEPA decision document is issued, no construction activities relating to the transmission facilities of Western-UGP shall commence and may impact the Commercial Operation Date for the Interconnection Request. Such NEPA related restrictions, if applicable, shall be set forth in the Interim GIA.

11A.3.2 Transmission Provider, Transmission Owner and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft Interim GIA for not more than thirty (30) Calendar Days after tender of the draft Interim GIA, unless another time period is agreed upon by the Parties. At the conclusion of the negotiation period or sooner if the Parties have reached agreement, Transmission Provider shall tender a final Interim GIA and within ten (10) Calendar Days the Interconnection Customer shall either: (i) execute three originals of the tendered Interim GIA and return them to Transmission Owner who will execute them and forward them to the Transmission Provider; or (ii) request in writing that Transmission Provider file with FERC an Interim GIA in unexecuted form. As soon as practicable, but not later than thirty (30) Calendar Days after receiving either the three executed originals of the tendered Interim GIA (if it does not conform with a FERC-approved standard form of interim interconnection agreement) or ten (10) Business Days after receiving the request to file an unexecuted Interim GIA, Transmission Provider shall file the Interim GIA with FERC, together with its explanation of any matters as to which Interconnection Customer, Transmission Owner and Transmission Provider disagree and support for the costs that Transmission Provider and/or the Transmission Owner propose to charge to Interconnection Customer under the Interim GIA. An unexecuted Interim GIA should contain terms and conditions deemed appropriate by Transmission Provider and the Transmission Owner for the Interconnection Request. Prior to FERC action, the Parties may agree to proceed with design, procurement, and construction of facilities and upgrades under the terms of the unexecuted Interim GIA.

11A.4 Commencement of Interim Interconnection Activities.

If Interconnection Customer executes the Interim GIA, Transmission Provider, the Transmission Owner and Interconnection Customer shall perform their respective obligations in accordance with the terms of the Interim GIA, subject to modification by FERC. Upon submission of an unexecuted Interim GIA, Interconnection Customer, Transmission Owner and Transmission Provider shall promptly comply with the unexecuted Interim GIA, subject to modification by FERC.

11A.5 Interconnection Service upon Termination of Interim GIA.

Terminating events for an Interim GIA are given in Article 2.3.1 of the Interim GIA. Upon termination of the Interim GIA for any reason, the Interim Interconnection Service shall cease. Interconnection Service, if any, associated with the Generating Facility shall be provided to Interconnection Customer by Transmission Provider pursuant to the terms and conditions of a final GIA.

Section 13. Miscellaneous

13.1 Confidentiality.

Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by either of the Parties to the other prior to the execution of a 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.

If requested by either Party, the other 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.

13.1.1 Scope.

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of the GIA; or (6) is required, in accordance with Section 13.1.6, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under the GIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

13.1.2 Release of Confidential Information.

Neither Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), employees, consultants, or to parties who may be or 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 these procedures, unless such person has first been advised of the confidentiality provisions of this Section 13.1 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section 13.1.

13.1.3 Rights.

Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other Party of Confidential Information shall not be deemed a waiver by either Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

13.1.4 No Warranties.

By providing Confidential Information, neither Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, neither Party obligates itself to provide any particular information or Confidential Information to the other Party nor to enter into any further agreements or proceed with any other relationship or joint venture.

13.1.5 Standard of Care.

Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Party under these procedures or its regulatory requirements.

13.1.6 Order of Disclosure.

If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires either Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Party with prompt notice of such request(s) or requirement(s) so that the other Party may seek an appropriate protective order or waive compliance with the terms of the 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.

13.1.7 Remedies.

The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's Breach of its obligations under this Section 13.1. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Section 13.1, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Section 13.1, 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 Section 13.1.

13.1.8 Disclosure to FERC, its Staff, or a State.

Notwithstanding anything in this Section 13.1 to the contrary, and pursuant to 18 CFR section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to the GIP, 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 Section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Party to the 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 either of the Parties may respond before such information would be made public, pursuant to 18 CFR Section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, consistent with applicable Federal and state laws, rules and regulations.

13.1.9 Subject to the exception in Section 13.1.8, any information that a Party claims is competitively sensitive, commercial or financial information ("Confidential Information") shall not be disclosed by the other Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii)

otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this GIP or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a subregional, regional or national reliability organization or planning group. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

13.1.10 This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a Breach of this provision).

13.1.11 Transmission Provider shall, at Interconnection Customer's election, destroy, in a confidential manner, or return the Confidential Information provided at the time of Confidential Information is no longer needed.

13.2 Delegation of Responsibility.

Transmission Provider may use the services of subcontractors as it deems appropriate to perform its obligations under this GIP. Transmission Provider shall remain primarily liable to Interconnection Customer for the performance of such subcontractors and compliance with its obligations of this GIP. The subcontractor shall keep all information provided confidential and shall use such information solely for the performance of such obligation for which it was provided and no other purpose.

13.3 Obligation for Study Costs.

Except as provided below, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Studies. Any difference between the study deposit and the actual cost of the applicable Interconnection Study shall be paid by or refunded, except as otherwise provided herein, to Interconnection Customer or offset against the cost of any future Interconnection Studies associated with the applicable Interconnection Request prior to beginning of any such future Interconnection Studies. Any invoices for Interconnection Studies shall include a detailed and itemized accounting of the cost of each Interconnection Study. Interconnection Customer shall pay any such undisputed costs within thirty (30) Calendar Days of receipt of an invoice therefore. Transmission Provider shall not be obligated to perform or continue to perform any studies unless Interconnection Customer has paid all

undisputed amounts in compliance herewith. Milestone deposits collected in Sections 8.2 and 8.9 may also be used to pay the study costs for any restudies in accordance with Section 8.13 that affect lower-queued Interconnection Customers.

Unused study deposits provided pursuant to Section 8.2 will be refunded upon Commercial Operation. In the event that the Interconnection Customer withdraws its Interconnection Request during or after the Interconnection Facilities Study phase or terminates or suspends its interconnection agreement, Transmission Provider shall refund to Interconnection Customer such unused study deposits, less any costs associated with any studies or restudies required as a result of the withdrawal of the Interconnection Request or suspension or termination of the interconnection agreement, including any restudies associated with any affected lower-queued customers.

13.4 Third Parties Conducting Studies.

If (i) at the time of the signing of an Interconnection Study Agreement there is disagreement as to the estimated time to complete an Interconnection Study, (ii) Interconnection Customer receives notice pursuant to Sections 6.3, 7.4 or 8.5 that Transmission Provider will not complete an Interconnection Study within the applicable timeframe for such Interconnection Study, or (iii) Interconnection Customer receives neither the Interconnection Study nor a notice under Sections 6.3, 7.4 or 8.5 within the applicable timeframe for such Interconnection Study, then Interconnection Customer may require Transmission Provider to utilize a third party consultant reasonably acceptable to Interconnection Customer and Transmission Provider to perform such Interconnection Study under the direction of Transmission Provider. At other times, Transmission Provider may also utilize a third party consultant to perform such Interconnection Study, either in response to a general request of Interconnection Customer, or on its own volition.

In all cases, use of a third party consultant shall be in accord with Article 26 of the GIA (Subcontractors) and limited to situations where Transmission Provider determines that doing so will help maintain or accelerate the study process for Interconnection Customer's pending Interconnection Request and not interfere with Transmission Provider's progress on Interconnection Studies for other pending Interconnection Requests. In cases where Interconnection Customer requests use of a third party consultant to perform such Interconnection Study, Interconnection Customer and Transmission Provider shall negotiate all of the pertinent terms and conditions, including reimbursement arrangements and the estimated study completion date and study review deadline. Transmission Provider shall convey all workpapers, data bases, study results and all other supporting documentation prepared to date with respect to the Interconnection Request as soon as practicable upon Interconnection Customer's request subject to the confidentiality provision in Section 13.1. In any case, such third party contract may be entered into with either Interconnection Customer or Transmission Provider at Transmission Provider's discretion. In the case of (iii)

Interconnection Customer maintains its right to submit a claim to Dispute Resolution to recover the costs of such third party study. Such third party consultant shall be required to comply with this GIP, Article 26 of the GIA (Subcontractors), and the relevant Tariff procedures and protocols as would apply if Transmission Provider were to conduct the Interconnection Study and shall use the information provided to it solely for purposes of performing such services and for no other purposes. Transmission Provider shall cooperate with such third party consultant and Interconnection Customer to complete and issue the Interconnection Study in the shortest reasonable time.

13.5 Disputes.

In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with the GIP, or their performance, the Parties agree to resolve such dispute using the dispute resolution procedures in Section 12 of the Tariff.

13.6 Local Furnishing Bonds.

13.6.1 Transmission Owners That Own Facilities Financed by Local Furnishing or Other Tax-Exempt Bonds or That Are Tax Exempt Entities.

This provision is applicable only to a Transmission Owner that has financed facilities for the local furnishing of electric energy with tax-exempt bonds, as described in Section 142(f) of the Internal Revenue Code ("local furnishing bonds") or facilities with other bonds the interest on which is excluded from gross income under Section 103 of the Internal Revenue Code ("other tax-exempt bonds"), or that are tax-exempt entities, described in Section 501(c) of the Internal Revenue Code. Notwithstanding any other provision of this GIA and GIP, Transmission Provider shall not be required to provide Interconnection Service to Interconnection Customer pursuant to this GIA and GIP if the provision of such Interconnection Service would jeopardize the tax-exempt status of any local furnishing bond(s) or other tax-exempt bonds used to finance a Transmission Owner's facilities that would be used in providing such Interconnection Service or would jeopardize the tax-exempt status of the tax-exempt entity.

13.6.2 Alternative Procedures for Requesting Interconnection Service.

If Transmission Provider determines that the provision of Interconnection Service requested by Interconnection Customer would jeopardize the tax-exempt status of any local furnishing bond(s) or other tax-exempt bonds used to finance a Transmission Owner's facilities that would be used in providing such Interconnection Service or would jeopardize the tax-exempt status of the Transmission Owner, Transmission Provider shall

advise the Interconnection Customer within thirty (30) Calendar days of receipt of the Interconnection Request.

Interconnection Customer thereafter may renew its request for interconnection using the process specified in Article 5.2(ii) of the Transmission Provider's Tariff.

Section 14. Fast Track Process

14.1 Applicability

The Fast Track Process is available to an Interconnection Customer proposing to interconnect its Small Generating Facility with the *Distribution System* if the Small Generating Facility's capacity does not exceed the size limits identified in the table below. Small Generating Facilities below these limits are eligible for Fast Track review. However, Fast Track eligibility is distinct from the Fast Track Process itself, and eligibility does not imply or indicate that a Small Generating Facility will pass the Fast Track screens in section 14.2.1 below or the Supplemental Review screens in section 14.4.1 below.

Fast Track eligibility is determined based upon the generator type, the size of the generator, voltage of the line and the location of and the type of line at the Point of Interconnection. All Small Generating Facilities connecting to lines greater than 69 kilovolt (kV) are ineligible for the Fast Track Process regardless of size. All synchronous and induction machines must be no larger than 2 MW to be eligible for the Fast Track Process, regardless of location. For certified inverter-based systems, the size limit varies according to the voltage of the line at the proposed Point of Interconnection. Certified inverter-based Small Generating Facilities located within 2.5 electrical circuit miles of a substation and on a mainline (as defined in the table below) are eligible for the Fast Track Process under the higher thresholds according to the table below. In addition to the size threshold, the Interconnection Customer's proposed Small Generating Facility must meet the codes, standards, and certification requirements of Appendices 9 and 10 of these procedures, or the Transmission Owner has to have reviewed the design or tested the proposed Small Generating Facility and is satisfied that it is safe to operate.

<u>Fast Track Eligibility for Inverter-Based Systems</u>		
<u>Phase to Phase Line Voltage</u>	<u>Fast Track Eligibility Regardless of Location</u>	<u>Fast Track Eligibility on a Mainline¹ and ≤ 2.5 Electrical Circuit Miles from Substation²</u>
$< 5 \text{ kV}$	$\leq 500 \text{ kW}$	$\leq 500 \text{ kW}$
$\geq 5 \text{ kV and } < 15 \text{ kV}$	$\leq 2 \text{ MW}$	$\leq 3 \text{ MW}$
$\geq 15 \text{ kV and } < 30 \text{ kV}$	$\leq 3 \text{ MW}$	$\leq 4 \text{ MW}$
$\geq 30 \text{ kV and } \leq 69 \text{ kV}$	$\leq 4 \text{ MW}$	$\leq 5 \text{ MW}$

¹ For purposes of this table, a mainline is the three-phase backbone of a circuit. It will typically constitute lines with wire sizes of 4/0 American wire gauge, 336.4 kcmil, 397.5 kcmil, 477 kcmil and 795 kcmil.

² An Interconnection Customer can determine this information about its proposed interconnection location in advance by requesting a pre-application report pursuant to Section 2.2.

14.1.1 *For purposes of Section 14.1, the Interconnection Request shall be evaluated using the maximum capacity that the Small Generating Facility is capable of injecting into the Transmission Provider's electric system. However, if the maximum capacity that the Small Generating Facility is capable of injecting into the Transmission Provider's electric system is limited (e.g., through use of a control system, power relay(s), or other similar device settings or adjustments), then the Interconnection Customer must obtain the Transmission Provider's agreement, with such agreement not to be unreasonably withheld, that the manner in which the Interconnection Customer proposes to implement such a limit will not adversely affect the safety and reliability of the Transmission Provider's system. If the Transmission Provider does not so agree, then the Interconnection Request must be withdrawn or revised to specify the maximum capacity that the Small Generating Facility is capable of injecting into the Transmission Provider's electric system without such limitations. Furthermore, nothing in this section shall prevent a Transmission Provider from considering an output higher than the limited output, if appropriate, when evaluating system protection impacts.*

14.2 Initial Review

Interconnection Customer shall submit an application in the form of Appendix 1 along with a deposit of \$1000. Within 15 Business Days after the Transmission Provider notifies the Interconnection Customer it has received a complete Interconnection Request, the Transmission Provider shall have the Transmission Owner perform an initial review using the screens set forth below. The Transmission Provider shall notify the Interconnection Customer of the results, and include with the notification copies of the analysis and data underlying the Transmission Owner's determinations under the screens.

14.2.1 Screens

- 14.2.1.1** The proposed Small Generating Facility's Point of Interconnection must be on a portion of the Distribution System that is subject to the Tariff.
- 14.2.1.2** For interconnection of a proposed Small Generating Facility to a radial distribution circuit, the aggregated generation, including the proposed Small Generating Facility, on the circuit shall not exceed 15% of the line section annual peak load as most recently measured at the substation. A line section is that portion of a Transmission Owner's electric system connected to a customer bounded by automatic sectionalizing devices or the end of the distribution line.
- 14.2.1.3** For interconnection of a proposed Small Generating Facility to the load side of spot network protectors, the proposed Small Generating Facility must utilize an inverter-based equipment package and, together with the aggregated other inverter-based

generation, shall not exceed the smaller of 5% of a spot network's maximum load or 50 kW.

14.2.1.4 The proposed Small Generating Facility, in aggregation with other generation on the distribution circuit, shall not contribute more than 10% to the distribution circuit's maximum fault current at the point on the high voltage (primary) level nearest the proposed point of change of ownership.

14.2.1.5 The proposed Small Generating Facility, in aggregate with other generation on the distribution circuit, shall not cause any distribution protective devices and equipment (including, but not limited to, substation breakers, fuse cutouts, and line reclosers), or Interconnection Customer equipment on the system to exceed 87.5% of the short circuit interrupting capability; nor shall the interconnection be proposed for a circuit that already exceeds 87.5% of the short circuit interrupting capability.

14.2.1.6 Using the table below, determine the type of interconnection to a primary distribution line. This screen includes a review of the type of electrical service provided to the Interconnecting Customer, including line configuration and the transformer connection to limit the potential for creating over-voltages on the Transmission Owner's electric power system due to a loss of ground during the operating time of any anti-islanding function.

Primary Distribution Line Type	Type of Interconnection to Primary Distribution Line	Result/Criteria
Three-phase, three wire	3-phase or single phase, phase-to-phase	Pass screen
Three-phase, four wire	Effectively-grounded 3 phase or Single-phase, line-to-neutral	Pass screen

14.2.1.7 If the proposed Small Generating Facility is to be interconnected on single-phase shared secondary, the aggregate generation capacity on the shared secondary, including the proposed Small Generating Facility, shall not exceed 20 kW.

14.2.1.8 If the proposed Small Generating Facility is single-phase and is to be interconnected on a center tap neutral of a 240 volt service, its addition shall not create an imbalance between the two sides of the 240 volt service of more than 20% of the nameplate rating of the service transformer.

14.2.1.9 The Small Generating Facility, in aggregate with other generation interconnected to the transmission side of a substation transformer feeding the circuit where the Small Generating Facility proposes to

interconnect shall not exceed 10 MW in an area where there are known, or posted, transient stability limitations to generating units located in the general electrical vicinity (e.g., three or four transmission busses from the point of interconnection).

14.2.1.10 No construction of facilities by the Transmission Provider on its own system shall be required to accommodate the Small Generating Facility.

14.2.1.11 Any study fees shall be based on the Transmission Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

14.2.1.12 The Interconnection Customer must pay any study costs that exceed the deposit without interest within thirty (30) calendar days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Transmission Provider shall refund such excess within thirty (30) calendar days of the invoice without interest.

14.2.1.13 Environmental Review.

In the event the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP, the Interconnection Request shall be subject to an Environmental Review as described in Section 14.3.4 of this GIP. The Interconnection Customer may request that the Environment Review begin any time after the Interconnection Request is accepted.

14.2.2 If the proposed interconnection passes the screens, the Interconnection Request shall be approved; provided however, when Western-UGP, as the Transmission Owner, is a Party to the GIA, such approval is subject to completion of the appropriate NEPA level of Environmental Review and issuance of the required NEPA decisional document as will be set forth in the GIA pursuant to Section 14.2.4. Transmission Provider will provide the Interconnection Customer a draft GIA within five Business Days after the determination that requires the Interconnection customer to pay the costs of such system modifications prior to interconnection. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4

14.2.3 If the proposed interconnection fails the screens, but both the Transmission Provider and the Transmission Owner determine that the Small Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards, the Transmission Provider shall provide the Interconnection Customer a draft GIA within five Business Days after the

determination that requires the Interconnection customer to pay the costs of such system modifications prior to interconnection. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4.

14.2.4 If the Transmission Provider identifies that Interconnection Facilities or Network Upgrades are required on the Western-UGP Transmission System, the GIA shall be subject to completion of the appropriate NEPA level of Environmental Review. Until the required NEPA decision document is issued, no construction activities relating to the transmission facilities of Western-UGP shall commence and may impact the Commercial Operation Date for the Interconnection Request. Such NEPA related restrictions, if applicable, shall be set forth in the GIA. After receiving a draft GIA from the Transmission Provider, the Interconnection Customer and the Transmission Owner shall have 30 Business Days or another mutually agreeable timeframe to sign and return the GIA, or request that the Transmission Provider file an unexecuted GIA with the Federal Energy Regulatory Commission. If the Interconnection Customer does not sign the GIA, or ask that it be filed unexecuted by the Transmission Provider within 30 Business Days, the Interconnection Request shall be deemed withdrawn. After the GIA is signed by the Parties, the interconnection of the Small Generating Facility shall proceed under the provisions of the GIA.

14.2.5 If the proposed interconnection fails the screens, *and* the Transmission Provider and Transmission Owner do not or cannot determine from the initial review that the Small Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards unless the Interconnection Customer is willing to consider minor modifications or further study, the Transmission Provider shall provide the Interconnection Customer with the opportunity to attend a customer options meeting.

14.3 Customer Options Meeting

If the Transmission Provider determines the Interconnection Request cannot be approved without (1) minor modifications at minimal cost; (2) a supplemental study or other additional studies or actions; or (3) *incurring* significant cost to address safety, reliability, or power quality problems, the Transmission Provider shall notify the Interconnection Customer *of that determination within five Business Days after the determination* and provide copies of all data and analyses underlying its conclusion. Within ten Business Days of the Transmission Provider's determination, the Transmission Provider shall offer to convene a customer options meeting with the Transmission Provider and the Transmission Owner to review possible Interconnection Customer facility modifications or the screen analysis and related results, to determine what further steps are needed to permit the Small Generating Facility to be connected safely and reliably. At the time of notification of the Transmission Provider's determination, or at the customer options meeting, the Transmission Provider/Transmission Owner shall:

- 14.3.1** Offer to perform facility modifications or minor modifications to the Transmission Owner's electric system (e.g., changing meters, fuses, relay settings) and provide a non-binding good faith estimate of the limited cost to make such modifications to the Transmission Owner's electric system. *If the Interconnection Customer agrees to pay for the modifications to the Transmission Provider's electric system, the Transmission Provider will provide the Interconnection Customer with a draft GIA within ten Business Days of the customer options meeting. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4; or*
- 14.3.2** *The Transmission Provider will offer to perform a supplemental review in accordance with Section 14.4 and provide a non-binding good faith estimate of the costs of such review; or*
- 14.3.3** *The Transmission Provider will obtain the Interconnection Customer's agreement to continue evaluating the Interconnection Request under Sections 2-13.*

14.3.4 Environmental Review.

This Section 14.3.4 applies only in the event the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP. Unless previously requested, Western-UGP shall use Reasonable Efforts to tender, within fifteen (15) Calendar Days after the customer options meeting, an Environmental Review agreement authorizing Western-UGP, at Interconnection Customer's expense, to perform environmental review of the proposed interconnection to Western-UGP's transmission facilities, including review under the National Environmental Policy Act (NEPA), 42 U.S.C. §4321, et seq., as amended, and setting forth Interconnection Customer's responsibilities in connection with such environmental review. The Environmental Review agreement shall contain a non-binding good faith estimate of the cost and timeframe for completing the Environmental Review. Interconnection Customer shall execute the environmental review agreement and return it, with the estimated funds set forth in the agreement based upon the level of Environmental Review required, to Western-UGP within thirty (30) Calendar Days after receipt by the Interconnection Customer. If an executed Environmental Review agreement and the required funds are not provided in the manner set forth above, the Interconnection Request shall be deemed withdrawn. Notwithstanding the provisions of Section 3.6, an Interconnection Customer shall have no right to cure the failure to deliver the executed Environmental Review agreement or the required funds in the timeframe identified above. If the costs incurred by Western-UGP are less than the deposit submitted by Interconnection Customer, Western-UGP shall refund the difference, without interest, as soon as the necessary vouchers are prepared. In addition, if at any time prior to the issuance of Western-UGP's final NEPA decisional document the Interconnection Customer fails to comply with the terms of the Environmental Review agreement, Western-UGP shall notify the Transmission Provider of the Interconnection

Customer's failure. Upon such notification, Transmission Provider reserves the right to deem the Interconnection Request withdrawn.

14.3.4.1 Environmental Review Procedures.

- a. After receipt of an executed Environmental Review agreement, Western-UGP shall use Reasonable Efforts to complete the study and issue a draft study report to Interconnection Customer within eighteen (18) months, or the actual time required to complete the necessary level of Environmental Review.
- b. At the request of Interconnection Customer or at any time Western-UGP determines that it will not meet the required time frame for completing the Environmental Review, Western-UGP shall notify Interconnection Customer as to the schedule status of the Environmental Review. If Western-UGP is unable to complete the Environmental Review within the time required, it shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required.
- c. Western-UGP shall notify the Transmission Provider of the schedule status of the Environmental Review.

14.4 Supplemental Review

14.4.1 *To accept the offer of a supplemental review, the Interconnection Customer shall agree in writing and submit a deposit for the estimated costs of the supplemental review in the amount of the Transmission Provider's good faith estimate of the costs of such review, both within 15 Business Days of the offer. If the written agreement and deposit have not been received by the Transmission Provider within such timeframe, the Interconnection Request shall continue to be evaluated under the study processes in Sections 2-13 of this GIP unless it is withdrawn by the Interconnection Customer.*

14.4.2 *The Interconnection Customer may specify the order in which the Transmission Provider will complete the screens in Section 14.4.4.*

14.4.3 The Interconnection Customer shall be responsible for the Transmission Provider's actual costs for conducting the supplemental review. The Interconnection Customer must pay any review costs that exceed the deposit within 30 calendar days of receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced costs, the Transmission Provider will return such excess within 30 calendar days of the invoice without interest.

14.4.4 Within 30 Business Days following receipt of the deposit for a supplemental review, the Transmission Provider *shall (1) perform a supplemental review using*

the screens set forth below; (2) notify in writing the Interconnection Customer of the results; and (3) include with the notification copies of the analysis and data underlying the Transmission Provider's determinations under the screens. Unless the Interconnection Customer provided instructions for how to respond to the failure of any of the supplemental review screens below at the time the Interconnection Customer accepted the offer of supplemental review, the Transmission Provider shall notify the Interconnection Customer following the failure of any of the screens, or if it is unable to perform the screen in Section 14.4.4.1, within two Business Days of making such determination to obtain the Interconnection Customer's permission to: (1) continue evaluating the proposed interconnection under this Section 14.4.4; (2) terminate the supplemental review and continue evaluating the Small Generating Facility under Section 2 through Section 13; or (3) terminate the supplemental review upon withdrawal of the Interconnection Request by the Interconnection Customer.

14.4.4.1 *Minimum Load Screen: Where 12 months of line section minimum load data (including onsite load but not station service load served by the proposed Small Generating Facility) are available, can be calculated, can be estimated from existing data, or determined from a power flow model, the aggregate Generating Facility capacity on the line section is less than 100% of the minimum load for all line sections bounded by automatic sectionalizing devices upstream of the proposed Small Generating Facility. If minimum load data is not available, or cannot be calculated, estimated or determined, the Transmission Provider shall include the reason(s) that it is unable to calculate, estimate or determine minimum load in its supplemental review results notification under Section 14.4.4.*

14.4.4.1.1 *The type of generation used by the proposed Small Generating Facility will be taken into account when calculating, estimating, or determining circuit or line section minimum load relevant for the application of screen in Section 14.4.4.1. Solar photovoltaic (PV) generation systems with no battery storage use daytime minimum load (i.e., 10 a.m. to 4 p.m. for fixed panel systems and 8 a.m. to 6 p.m. for PV systems utilizing tracking systems), while all other generation uses absolute minimum load.*

14.4.4.1.2 *When this screen is being applied to a Small Generating Facility that serves some station service load, only the net injection into the Transmission Provider's electric system will be considered as part of the aggregate generation.*

14.4.4.1.3 *Transmission Provider will not consider as part of the aggregate generation for purposes of this screen generating facility capacity known to be already reflected in the minimum load data.*

14.4.4.2 *Voltage and Power Quality Screen: In aggregate with existing generation on the line section: (1) the voltage regulation on the line section can be maintained in compliance with relevant requirements under all system conditions; (2) the voltage fluctuation is within acceptable limits as defined by Institute of Electrical and Electronics Engineers (IEEE) Standard 1453, or utility practice similar to IEEE Standard 1453; and (3) the harmonic levels meet IEEE Standard 519 limits.*

14.4.4.3 *Safety and Reliability Screen: The location of the proposed Small Generating Facility and the aggregate generation capacity on the line section do not create impacts to safety or reliability that cannot be adequately addressed without application of the Study Process. The Transmission Provider shall give due consideration to the following and other factors in determining potential impacts to safety and reliability in applying this screen.*

14.4.4.3.1 *Whether the line section has significant minimum loading levels dominated by a small number of customers (e.g., several large commercial customers).*

14.4.4.3.2 *Whether the loading along the line section is uniform or even.*

14.4.4.3.3 *Whether the proposed Small Generating Facility is located in close proximity to the substation (i.e., less than 2.5 electrical circuit miles), and whether the line section from the substation to the Point of Interconnection is a Mainline rated for normal and emergency ampacity.*

14.4.4.3.4 *Whether the proposed Small Generating Facility incorporates a time delay function to prevent reconnection of the generator to the system until system voltage and*

frequency are within normal limits for a prescribed time.

14.4.4.3.5 *Whether operational flexibility is reduced by the proposed Small Generating Facility, such that transfer of the line section(s) of the Small Generating Facility to a neighboring distribution circuit/substation may trigger overloads or voltage issues.*

14.4.4.3.6 *Whether the proposed Small Generating Facility employs equipment or systems certified by a recognized standards organization to address technical issues such as, but not limited to, islanding, reverse power flow, or voltage quality.*

14.4.5 *If the proposed interconnection passes the supplemental screens in Sections 14.4.4.1, 14.4.4.2, and 14.4.4.3 above, the Interconnection Request shall be approved; provided however, if the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP, as Transmission Owner, such approval is subject to the completion of the appropriate NEPA level of Environmental Review and issuance of the required NEPA decisional document as will be set forth in the GIA pursuant to Section 14.2.4. The Transmission Provider will provide the Interconnection Customer with a draft GIA within the timeframes established in Sections 14.4.5.1 and 14.4.5.2 below. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4. If the proposed interconnection fails any of the supplemental review screens and the Interconnection Customer does not withdraw its Interconnection Request, it shall continue to be evaluated under the study process in Section 3 through Section 13 consistent with Section 14.4.5.3 below.*

14.4.5.1 *If the proposed interconnection passes the supplemental screens in Sections 2.4.1.1, 2.4.1.2, and 2.4.1.3 above and does not require construction of facilities by the Transmission Provider on its own system, the draft GIA shall be provided within ten Business Days after the notification of the supplemental review results. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4.*

14.4.5.2 *If interconnection facilities or minor modifications to the Transmission Provider's system are required for the proposed interconnection to pass the supplemental screens in Sections 14.4.1.1, 14.4.1.2, and 14.4.1.3 above, and the Interconnection Customer agrees to pay for the modifications to the Transmission*

Provider's electric system, the draft GIA, along with a non-binding good faith estimate for the interconnection facilities and/or minor modifications, shall be provided to the Interconnection Customer within 15 Business Days after receiving written notification of the supplemental review results. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4.

14.4.5.3 *If the proposed interconnection would require more than interconnection facilities or minor modifications to the Transmission Provider's system to pass the supplemental screens in Sections 2.4.1.1, 2.4.1.2, and 2.4.1.3 above, the Transmission Provider shall notify the Interconnection Customer, at the same time it notifies the Interconnection Customer with the supplemental review results, that the Interconnection Request shall be evaluated under the Section 3 through Section 13 Study Process unless the Interconnection Customer withdraws its Small Generating Facility.*

APPENDIX 3 TO GIP

PRELIMINARY INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____ 20____ by and between _____ a _____ and existing under the laws of the State of _____ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System;

WHEREAS, Transmission Provider has completed an Interconnection Feasibility Study (the "Feasibility Study") and provided the results of said study to Interconnection Customer (This recital to be omitted if Transmission Provider or Interconnection Customer does not require the Interconnection Feasibility Study.); and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform a Preliminary Interconnection System Impact Study to assess the impact of interconnecting the Generating Facility to the Transmission System, and of any Affected Systems;

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

- 1.0** When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved GIP.
- 2.0** Interconnection Customer elects and Transmission Provider shall cause to be performed a Preliminary Interconnection System Impact Study consistent with Section 7.0 of this GIP in accordance with the Tariff.
- 3.0** The scope of the Preliminary Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0** The Preliminary Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study (if performed) and the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the GIP. Transmission Provider reserves the right to request additional technical

information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Preliminary Interconnection System Impact Study. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the Preliminary Interconnection System Impact Study may be extended.

5.0 The Preliminary Interconnection System Impact Study report shall provide the following information:

- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
- identification of any thermal overload or voltage limit violations resulting from the interconnection;
- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection and
- description and non-binding, good faith estimated cost of facilities required to interconnect the Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.

6.0 Interconnection Customer shall provide the deposit specified under Section 7.2 of the GIP for the performance of the Preliminary Interconnection System Impact Study. Transmission Provider's good faith estimate for the time of completion of the Preliminary Interconnection System Impact Study is [insert date].

Upon receipt of the Preliminary Interconnection System Impact Study results, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Preliminary Interconnection System Impact Study.

Any difference between the deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer in accordance with Section 7.2 of the GIP.

7.0 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 Applicability. This Agreement is subject to all applicable federal and state Laws and Regulations.

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

8.0 Notices.

8.1 General. Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

Attention: _____

8.2 Alternative Forms of Notice. Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email.

9.0 Force Majeure

9.1 Economic Hardship. Economic hardship is not considered a Force Majeure event.

9.2 Default. Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied

upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state the full details 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 due diligence 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.

10.0 Indemnity

10.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, 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 Partys' action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, to assume the defense of such claim, such indemnified person 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

10.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 10.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified

persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this

Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to 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. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Provider shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for

estimated costs exceeds the actual costs of the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 either Party will not constitute a waiver of any rights or claims either Party may have under the GIP.

14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider 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 provide notice to Interconnection Customer of a Default pursuant to Article 16. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

15.0 Representations, Warranties, and Covenants

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

15.1.1 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; 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 Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement 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).

15.1.3 No Conflict. The execution, delivery and performance of this Agreement 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.

15.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement 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 Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

16.0 Breach, Cure and Default

16.1 General. A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 Events of Breach. A Breach of this Agreement shall include:

- (a) The failure to pay any amount when due;
- (b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
- (c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;
- (d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;
- (e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or

data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

16.4 Right to Compel Performance. Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. Miscellaneous

17.1 Binding Effect. This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

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

17.3 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and

Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

- 17.4 Entire Agreement.** This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.
- 17.5 No Third Party Beneficiaries.** This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 17.6 Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.
- Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this Agreement shall, if requested, be provided in writing.
- 17.7 Headings.** The descriptive headings of the various Articles of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 17.8 Multiple Counterparts.** This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 17.9 Amendment.** The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.
- 17.10 Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

17.11 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither 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 Party.

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

[Insert name of Transmission Provider]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Attachment A to Appendix 3**Preliminary Interconnection System Impact
Study Agreement****ASSUMPTIONS USED IN CONDUCTING THE
PRELIMINARY INTERCONNECTION SYSTEM IMPACT STUDY**

The Preliminary Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study (if performed), subject to any modifications in accordance with Section 4.4 of the GIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

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

[Above assumptions to be completed by Interconnection Customer and other assumptions to be provided by Interconnection Customer and Transmission Provider]

**GENERATING FACILITY DATA FOR THE
PRELIMINARY INTERCONNECTION SYSTEM IMPACT STUDY****UNIT RATINGS**

Nameplate kVA _____ °F _____ Voltage _____
 Prime Mover type _____
 Power Factor: Lead _____ Lag _____
 Speed (RPM) _____ Connection (e.g. Wye) _____
 Short Circuit Ratio _____ Frequency, Hertz _____
 Stator Amperes at Rated kVA _____ Field Volts _____
 Max Turbine Power: Summer MW _____ °F _____
 Winter MW _____ °F _____

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = _____ kW sec/kVA
 Moment-of-Inertia, WR^2 = _____ lb. ft.²

REACTANCE DATA (PER UNIT-RATED KVA)**DIRECT AXIS****QUADRATURE AXIS**

Synchronous – saturated

X_{dv} _____

X_{qv} _____

Synchronous – unsaturated	X_{di}	_____	X_{qi}	_____
Transient – saturated	X'_{dv}	_____	X'_{qv}	_____
Transient – unsaturated	X'_{di}	_____	X'_{qi}	_____
Subtransient – saturated	X''_{dv}	_____	X''_{qv}	_____
Subtransient – unsaturated	X''_{di}	_____	X''_{qi}	_____
Negative Sequence – saturated	X_{2v}	_____		
Negative Sequence – unsaturated	X_{2i}	_____		
Zero Sequence – saturated	X_{0v}	_____		
Zero Sequence – unsaturated	X_{0i}	_____		
Leakage Reactance	X_{lm}	_____		

FIELD TIME CONSTANT DATA (SEC)

Open Circuit	T'_{do}	_____	T'_{qo}	_____
Three-Phase Short Circuit Transient	T'_{d3}	_____	T'_q	_____
Line to Line Short Circuit Transient	T'_{d2}	_____		
Line to Neutral Short Circuit Transient	T'_{d1}	_____		
Short Circuit Subtransient	T''_d	_____	T''_q	_____
Open Circuit Subtransient	T''_{do}	_____	T''_{qo}	_____

ARMATURE TIME CONSTANT DATA (SEC)

Three Phase Short Circuit	T_{a3}	_____
Line to Line Short Circuit	T_{a2}	_____
Line to Neutral Short Circuit	T_{a1}	_____

NOTE: If requested information is not applicable, indicate by marking "N/A."

MW CAPABILITY AND PLANT CONFIGURATION GENERATING FACILITY DATA

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

Positive	R_1	_____
Negative	R_2	_____
Zero	R_0	_____

Rotor Short Time Thermal Capacity $I_2^2 t =$ _____

Field Current at Rated kVA, Armature Voltage and PF = _____ amps

Field Current at Rated kVA and Armature Voltage, 0 PF = _____ amps

Three Phase Armature Winding Capacitance = _____ microfarad
 Field Winding Resistance = _____ ohms _____ °C
 Armature Winding Resistance (Per Phase) = _____ ohms _____ °C

CURVES

Provide Saturation, Vee, Reactive Capability, Capacity Temperature Correction curves.
 Designate normal and emergency Hydrogen Pressure operating range for multiple curves.

GENERATOR STEP-UP TRANSFORMER DATA RATINGS

Capacity Self-cooled/
 Maximum Nameplate
 _____/_____ kVA

Voltage Ratio (Generator Side/System side/Tertiary)
 _____/_____/_____ kV

Winding Connections (Low V/High V/Tertiary V (Delta or Wye))
 _____/_____/_____

Fixed Taps Available _____

Present Tap Setting _____

Impedance: Positive Z_1 (on self-cooled kVA rating) _____ % _____ X/R

Impedance: Zero Z_0 (on self-cooled kVA rating) _____ % _____ X/R

EXCITATION SYSTEM DATA

Identify appropriate IEEE model block diagram of excitation system and power system stabilizer (PSS) for computer representation in power system stability simulations and the corresponding excitation system and PSS constants for use in the model.

GOVERNOR SYSTEM DATA

Identify appropriate IEEE model block diagram of governor system for computer representation in power system stability simulations and the corresponding governor system constants for use in the model.

WIND GENERATORS

Number of generators to be interconnected pursuant to this Interconnection Request:

Elevation: _____ Single Phase _____ Three Phase

Inverter manufacturer, model name, number, and version:

List of adjustable setpoints for the protective equipment or software:

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet or other compatible formats, such as IEEE and PTI power flow models, must be supplied with the Interconnection Request. If other data sheets are more appropriate to the proposed device, then they shall be provided and discussed at Scoping Meeting.

INDUCTION GENERATORS

- (*) Field Volts: _____
- (*) Field Amperes: _____
- (*) Motoring Power (kW): _____
- (*) Neutral Grounding Resistor (If Applicable): _____
- (*) I_2^2t or K (Heating Time Constant): _____
- (*) Rotor Resistance: _____
- (*) Stator Resistance: _____
- (*) Stator Reactance: _____
- (*) Rotor Reactance: _____
- (*) Magnetizing Reactance: _____
- (*) Short Circuit Reactance: _____
- (*) Exciting Current: _____
- (*) Temperature Rise: _____
- (*) Frame Size: _____
- (*) Design Letter: _____
- (*) Reactive Power Required In Vars (No Load): _____
- (*) Reactive Power Required In Vars (Full Load): _____
- (*) Total Rotating Inertia, H: _____ Per Unit on KVA Base

Note: Please consult Transmission Provider prior to submitting the Interconnection Request to determine if the information designated by (*) is required.

APPENDIX 3A TO GIP

DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____ 20____ by and between _____ a _____ and existing under the laws of the State of _____ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System;

WHEREAS, Transmission Provider has completed a Preliminary Interconnection System Impact Study and provided the results of said study to Interconnection Customer (This recital to be omitted if Interconnection Customer did not participate in Preliminary Interconnection System Impact Study); and

WHEREAS, Interconnection Customer has participated in a Preliminary Interconnection System Impact Study and wishes to participate in the Definitive Interconnection System Impact Study or has requested Transmission Provider to perform a Definitive Interconnection System Impact Study to assess the impact of interconnecting the Generating Facility to the Transmission System, and of any Affected Systems;

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

- 1.0** When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved GIP.
- 2.0** Interconnection Customer elects and Transmission Provider shall cause to be performed a Definitive Interconnection System Impact Study consistent with Section 8.0 of this GIP in accordance with the Tariff.
- 3.0** The scope of the Definitive Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0** The Definitive Interconnection System Impact Study will be based upon the results of the Preliminary Interconnection System Impact Study and the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the GIP.

Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Definitive Interconnection System Impact Study. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the Definitive Interconnection System Impact Study may be extended.

5.0 The Definitive Interconnection System Impact Study report shall provide the following information:

- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
- identification of any thermal overload or voltage limit violations resulting from the interconnection;
- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection;
- description and non-binding, good faith estimated cost of facilities required to interconnect the Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues; and
- will include a Facilities Analysis as specified in Section 8.4.4 that will provide cost estimates for Transmission Owner's Interconnection Facilities and Network Upgrades at the Point of Interconnection.

6.0 Interconnection Customer shall provide the deposit specified under Section 8.2 of the GIP for the performance of the Definitive Interconnection System Impact Study. Transmission Provider's good faith estimate for the time of completion of the Definitive Interconnection System Impact Study is [insert date].

Upon receipt of the Definitive Interconnection System Impact Study results, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Definitive Interconnection System Impact Study.

Any difference between the deposit and Interconnection Customer's study cost obligation shall be paid by or refunded to Interconnection Customer, as appropriate per Section 13.3 of the Generator Interconnection Procedures.

7.0 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 Applicability. This Agreement is subject to all applicable federal and state Laws and Regulations.

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

8.0 Notices.

8.1 General. Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

Attention: _____

8.2 Alternative Forms of Notice. Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email.

9.0 Force Majeure

9.1 Economic Hardship. Economic hardship is not considered a Force Majeure event.

9.2 Default. Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state the full details 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 due diligence 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.

10.0 Indemnity

10.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, 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 action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, to assume the defense of such claim, such indemnified person 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

10.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 10.1 may apply, the indemnified person 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 person. If the

defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this

Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to 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. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Provider shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for

estimated costs exceeds the actual costs of the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 either Party will not constitute a waiver of any rights or claims either Party may have under the GIP.

14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider 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 provide notice to Interconnection Customer of a Default pursuant to Article 16. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

15.0 Representations, Warranties, and Covenants

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

15.1.1 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; 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 Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement 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).

15.1.3 No Conflict. The execution, delivery and performance of this Agreement 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.

15.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement 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 Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

16.0 Breach, Cure and Default

16.1 General. A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 Events of Breach. A Breach of this Agreement shall include:

- (a) The failure to pay any amount when due;
- (b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
- (c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;
- (d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;
- (e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

16.4 Right to Compel Performance. Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. Miscellaneous

17.1 Binding Effect. This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

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

17.3 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

- 17.4 Entire Agreement.** This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.
- 17.5 No Third Party Beneficiaries.** This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 17.6 Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.
- Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this Agreement shall, if requested, be provided in writing.
- 17.7 Headings.** The descriptive headings of the various Articles of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 17.8 Multiple Counterparts.** This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 17.9 Amendment.** The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.
- 17.10 Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.
- 17.11 No Partnership.** This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither 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 Party.

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

[Insert name of Transmission Provider]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Attachment A to Appendix 3A**Definitive Interconnection System Impact
Study Agreement****ASSUMPTIONS USED IN CONDUCTING THE
DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY**

The Definitive Interconnection System Impact Study will be based upon the information set forth in the Interconnection Requests and results of applicable prior studies, subject to any modifications in accordance with Section 4.4 of the GIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

[Above assumptions to be completed by Interconnection Customer and other assumptions to be provided by Interconnection Customer, Transmission Owner and Transmission Provider]

**GENERATING FACILITY DATA FOR THE
DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY****UNIT RATINGS**

Nameplate kVA _____ °F _____ Voltage _____
 Prime Mover type _____
 Power Factor: Lead _____ Lag _____
 Speed (RPM) _____ Connection (e.g. Wye) _____
 Short Circuit Ratio _____ Frequency, Hertz _____
 Stator Amperes at Rated kVA _____ Field Volts _____
 Max Turbine Power: Summer MW _____ °F _____
 Winter MW _____ °F _____

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = _____ kW sec/kVA
 Moment-of-Inertia, WR^2 = _____ lb. ft.²

REACTANCE DATA (PER UNIT-RATED KVA)

	DIRECT AXIS	QUADRATURE AXIS
Synchronous – saturated	X_{dv} _____	X_{qv} _____
Synchronous – unsaturated	X_{di} _____	X_{qi} _____
Transient – saturated	X'_{dv} _____	X'_{qv} _____
Transient – unsaturated	X'_{di} _____	X'_{qi} _____

Subtransient – saturated	X''_{dv}	_____	X''_{qv}	_____
Subtransient – unsaturated	X''_{di}	_____	X''_{qi}	_____
Negative Sequence – saturated	$X2_v$	_____		
Negative Sequence – unsaturated	$X2_i$	_____		
Zero Sequence – saturated	$X0_v$	_____		
Zero Sequence – unsaturated	$X0_i$	_____		
Leakage Reactance	Xl_m	_____		

FIELD TIME CONSTANT DATA (SEC)

Open Circuit	T'_{do}	_____	T'_{qo}	_____
Three-Phase Short Circuit Transient	T'_{d3}	_____	T'_q	_____
Line to Line Short Circuit Transient	T'_{d2}	_____		
Line to Neutral Short Circuit Transient	T'_{d1}	_____		
Short Circuit Subtransient	T''_d	_____	T''_q	_____
Open Circuit Subtransient	T''_{do}	_____	T''_{qo}	_____

ARMATURE TIME CONSTANT DATA (SEC)

Three Phase Short Circuit	T_{a3}	_____
Line to Line Short Circuit	T_{a2}	_____
Line to Neutral Short Circuit	T_{a1}	_____

NOTE: If requested information is not applicable, indicate by marking "N/A."

MW CAPABILITY AND PLANT CONFIGURATION GENERATING FACILITY DATA

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

Positive	R_1	_____
Negative	R_2	_____
Zero	R_0	_____

Rotor Short Time Thermal Capacity $I_2^2 t =$ _____

Field Current at Rated kVA, Armature Voltage and PF = _____ amps

Field Current at Rated kVA and Armature Voltage, 0 PF = _____ amps

Three Phase Armature Winding Capacitance = _____ microfarad

Field Winding Resistance = _____ ohms _____ °C

Armature Winding Resistance (Per Phase) = _____ ohms _____ °C

CURVES

Provide Saturation, Vee, Reactive Capability, Capacity Temperature Correction curves. Designate normal and emergency Hydrogen Pressure operating range for multiple curves.

GENERATOR STEP-UP TRANSFORMER DATA RATINGS

Capacity Self-cooled/
Maximum Nameplate
_____/_____ kVA

Voltage Ratio (Generator Side/System side/Tertiary)
_____/_____/_____ kV

Winding Connections (Low V/High V/Tertiary V (Delta or Wye))
_____/_____/_____

Fixed Taps Available _____

Present Tap Setting _____

Impedance: Positive Z_1 (on self-cooled kVA rating) _____ % _____ X/R

Impedance: Zero Z_0 (on self-cooled kVA rating) _____ % _____ X/R

EXCITATION SYSTEM DATA

Identify appropriate IEEE model block diagram of excitation system and power system stabilizer (PSS) for computer representation in power system stability simulations and the corresponding excitation system and PSS constants for use in the model.

GOVERNOR SYSTEM DATA

Identify appropriate IEEE model block diagram of governor system for computer representation in power system stability simulations and the corresponding governor system constants for use in the model.

WIND GENERATORS

Number of generators to be interconnected pursuant to this Interconnection Request:

Elevation: _____ Single Phase _____ Three Phase

Inverter manufacturer, model name, number, and version:

List of adjustable setpoints for the protective equipment or software:

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet or other compatible formats, such as IEEE and PTI power flow models, must be supplied with the Interconnection Request. If other data sheets are more appropriate to the proposed device, then they shall be provided and discussed at Scoping Meeting.

INDUCTION GENERATORS

- (*) Field Volts: _____
- (*) Field Amperes: _____
- (*) Motoring Power (kW): _____
- (*) Neutral Grounding Resistor (If Applicable): _____
- (*) I_2^2t or K (Heating Time Constant): _____
- (*) Rotor Resistance: _____
- (*) Stator Resistance: _____
- (*) Stator Reactance: _____
- (*) Rotor Reactance: _____
- (*) Magnetizing Reactance: _____
- (*) Short Circuit Reactance: _____
- (*) Exciting Current: _____
- (*) Temperature Rise: _____
- (*) Frame Size: _____
- (*) Design Letter: _____
- (*) Reactive Power Required In Vars (No Load): _____
- (*) Reactive Power Required In Vars (Full Load): _____
- (*) Total Rotating Inertia, H: _____ Per Unit on KVA Base

Note: Please consult Transmission Provider prior to submitting the Interconnection Request to determine if the information designated by (*) is required.

APPENDIX 4 TO GIP

INTERCONNECTION FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ of _____ 20__ by and between _____ a _____ and existing under the laws of the State of _____ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System;

WHEREAS, Transmission Provider has completed a Definitive Interconnection System Impact Study (the "System Impact Study") and provided the results of said study to Interconnection Customer; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform an Interconnection Facilities Study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Definitive Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility to the Transmission System.

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

- 1.0** When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved GIP.
- 2.0** Interconnection Customer elects and Transmission Provider shall cause an Interconnection Facilities Study consistent with Section 8.0 of this GIP to be performed in accordance with the Tariff.
- 3.0** The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A and the data provided in Attachment B to this Agreement.
- 4.0** The Interconnection Facilities Study report (i) shall provide a description, estimated cost of (consistent with Attachment A), schedule for required facilities to interconnect the Generating Facility to the Transmission System and (ii)

shall address the short circuit, instability, and power flow issues identified in the Definitive Interconnection System Impact Study.

- 5.0** Interconnection Customer shall meet the milestone requirements specified under Section 8.9 of the GIP prior to the performance of the Interconnection Facilities Study. The time for completion of the Interconnection Facilities Study is specified in Attachment A.

Transmission Provider shall invoice Interconnection Customer on a monthly basis for the work to be conducted on the Interconnection Facilities Study each month. Interconnection Customer shall pay invoiced amounts within thirty (30) Calendar Days of receipt of invoice. Transmission Provider shall continue to hold the amounts on deposit until settlement of the final invoice. Any difference between the applicable deposits specified under Section 8.2 of the GIP and Interconnection Customer's share of study costs shall be paid by or refunded to Interconnection Customer, as appropriate per Section 13.3 of the GIP.

- 6.0** **Reserved.**

- 7.0** **Governing Law**

- 7.1** **Governance.** The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

- 7.2** **Applicability.** This Agreement is subject to all applicable federal and state Laws and Regulations.

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

- 8.0** **Notices.**

- 8.1** **General.** Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive

Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

Attention: _____

8.2 Alternative Forms of Notice. Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email.

9.0 Force Majeure

9.1 Economic Hardship. Economic hardship is not considered a Force Majeure event.

9.2 Default. Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state the full details 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 due diligence 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.

10.0 Indemnity

10.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, 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 Parties' action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, to assume the defense of such claim, such indemnified person 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

10.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 10.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding

involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to 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. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Provider shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 either Party will not constitute a waiver of any rights or claims either Party may have under the GIP.

14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider 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 provide notice to Interconnection Customer of a Default pursuant to Article 16. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

15.0 Representations, Warranties, and Covenants

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

15.1.1 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; 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 Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement 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).

15.1.3 No Conflict. The execution, delivery and performance of this Agreement 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.

15.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement 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 Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

16.0 Breach, Cure and Default

16.1 General. A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 Events of Breach. A Breach of this Agreement shall include:

- (a) The failure to pay any amount when due;
- (b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
- (c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;
- (d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;
- (e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the "Non-Breaching Party"), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the "Breaching Party") and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

- 16.4 Right to Compel Performance.** Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.
- 17. Miscellaneous**
- 17.1 Binding Effect.** This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 17.2 Conflicts.** In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 17.3 Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.
- 17.4 Entire Agreement.** This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.
- 17.5 No Third Party Beneficiaries.** This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

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

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

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

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

- 17.9 Amendment.** The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.

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

- 17.11 No Partnership.** This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither 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 Party.

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

[Insert name of Transmission Provider]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

**Attachment A To Appendix 4
Interconnection Facilities
Study Agreement**

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

Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within the following number of days after receipt of an executed copy of this Interconnection Facilities Study Agreement:

- ninety (90) Calendar Days with no more than a +/- 20 percent cost estimate contained in the report.

**Attachment B to Appendix 4
Interconnection Facilities
Study Agreement**

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

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

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

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

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

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

_____ Yes _____ No

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

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

What protocol does the control system or PLC use?

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

Physical dimensions of the proposed interconnection station:

Bus length from generation to interconnection station:

Line length from interconnection station to Transmission Provider's transmission line.

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

Number of third party easements required for transmission lines*:

* To be completed in coordination with Transmission Provider.

Is the Generating Facility in the Transmission Provider's service area?

_____ Yes _____ No Local provider: _____

Please provide proposed schedule dates:

Begin Construction Date: _____

Generator step-up transformer Date: _____

receives back feed power

Generation Testing Date: _____

Commercial Operation Date: _____

APPENDIX 4A TO GIP

LIMITED OPERATION INTERCONNECTION FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ of _____ 20__ by and between _____ a _____ and existing under the laws of the State of _____ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System;

WHEREAS, Transmission Provider has completed a Definitive Interconnection System Impact Study (the "System Impact Study") that requires Limited Operation in accordance with Section 8.4.3 as being necessary for the Interconnection Request and has provided the results of said study to Interconnection Customer; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform an Interconnection Facilities Study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Definitive Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility to the Transmission System.

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

- 1.0** When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved GIP.
- 2.0** Interconnection Customer elects and Transmission Provider shall cause an Interconnection Facilities Study consistent with Section 8.0 of this GIP to be performed in accordance with the Tariff.
- 3.0** The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A and the data provided in Attachment B to this Agreement.
- 4.0** The Interconnection Facilities Study report (i) shall provide a description, estimated cost of (consistent with Attachment A), schedule for required facilities

to interconnect the Generating Facility to the Transmission System and (ii) shall address the short circuit, instability, and power flow issues identified in the Definitive Interconnection System Impact Study.

- 5.0** Interconnection Customer shall meet the milestone requirements specified under Section 8.9 of the GIP prior to the performance of the Interconnection Facilities Study. The time for completion of the Interconnection Facilities Study is specified in Attachment A.

Transmission Provider shall invoice Interconnection Customer on a monthly basis for the work to be conducted on the Interconnection Facilities Study each month. Interconnection Customer shall pay invoiced amounts within thirty (30) Calendar Days of receipt of invoice. Transmission Provider shall continue to hold the amounts on deposit until settlement of the final invoice. Any difference between the applicable deposits specified under Section 8.2 of the GIP and Interconnection Customer's share of study costs shall be paid by or refunded to Interconnection Customer, as appropriate per Section 8.9 of the GIP.

- 6.0** Conditions for Limited Operation. Interconnection Customer agrees to the following conditions:

1. The Generating Facility will be allowed to operate under Limited Operation in accordance with Section 8.4.3 of the GIP before a Network Upgrades previously approved for construction under Section VI of Attachment O of this Tariff ("Previously Approved Network Upgrade") is placed into service;
2. The Interconnection Customer will meet all requirements of the GIP; *and*
3. The Interconnection Customer will provide financial security and authorize engineering, procurement, and construction of its cost assigned Network Upgrades and interconnection facilities no later than thirty (30) days after the effective date of the GIA.

7.0 Governing Law

- 7.1 Governance.** The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

- 7.2 Applicability.** This Agreement is subject to all applicable federal and state Laws and Regulations.

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

8.0 Notices.

- 8.1 General.** Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

Attention: _____

- 8.2 Alternative Forms of Notice.** Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email.

9.0 Force Majeure

- 9.1 Economic Hardship.** Economic hardship is not considered a Force Majeure event.

- 9.2 Default.** Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state the full details 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 due diligence 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.

10.0 Indemnity

10.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, 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 action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, to assume the defense of such claim, such indemnified person 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

10.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 10.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the

indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

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party, trustee or mortgagee to 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. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

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15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement 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).

15.1.3 No Conflict. The execution, delivery and performance of this Agreement 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.

15.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement 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 Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

16.0 Breach, Cure and Default

16.1 General. A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 Events of Breach. A Breach of this Agreement shall include:

- (a) The failure to pay any amount when due;
- (b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
- (c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;
- (d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;
- (e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

16.4 Right to Compel Performance. Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. Miscellaneous

17.1 Binding Effect. This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

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

17.3 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

- 17.4 Entire Agreement.** This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.
- 17.5 No Third Party Beneficiaries.** This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 17.6 Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.
- Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this Agreement shall, if requested, be provided in writing.
- 17.7 Headings.** The descriptive headings of the various Articles of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 17.8 Multiple Counterparts.** This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 17.9 Amendment.** The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.
- 17.10 Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.
- 17.11 No Partnership.** This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the

Parties or to impose any partnership obligation or partnership liability upon either Party. Neither 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 Party.

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

[Insert name of Transmission Provider]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

**Attachment A To Appendix 4A
Limited Operation
Interconnection Facilities
Study Agreement**

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

Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within the following number of days after receipt of an executed copy of this Interconnection Facilities Study Agreement:

- ninety (90) Calendar Days with no more than a +/- 20 percent cost estimate contained in the report.

**Attachment B to Appendix 4A
Limited Operation
Interconnection Facilities
Study Agreement**

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

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

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

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

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

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

_____ Yes _____ No

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

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

What protocol does the control system or PLC use?

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

Physical dimensions of the proposed interconnection station:

Bus length from generation to interconnection station:

Line length from interconnection station to Transmission Provider's transmission line.

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

Number of third party easements required for transmission lines*:

* To be completed in coordination with Transmission Provider.

Is the Generating Facility in the Transmission Provider's service area?

_____ Yes _____ No Local provider: _____

Please provide proposed schedule dates:

Begin Construction Date: _____

Generator step-up transformer Date: _____

receives back feed power

Generation Testing Date: _____

Commercial Operation Date: _____

APPENDIX 5 TO GIP

INTERIM AVAILABILITY INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____ 20____ by and between _____ a _____ and existing under the laws of the State of _____ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("Transmission Provider"). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Interconnection Customer has a fully executed Definitive Interconnection System Impact Study Agreement and has submitted all requirements and milestones to be included in the Definitive Interconnection System Impact Study Queue;

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System on an interim basis before all such required studies under the GIP can be completed;

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

- 1.0** When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved GIP.
- 2.0** Interconnection Customer elects and Transmission Provider shall cause to be performed an Interim Availability Interconnection System Impact Study as described in Section 11A.2.4.1 of this GIP.
- 3.0** The scope of the Interim Availability Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0** The Interim Availability Interconnection System Impact Study will be based upon the technical information provided by Interconnection Customer in the Interconnection Request. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interim Availability Interconnection System Impact Study.

5.0 The Interim Availability Interconnection System Impact Study report shall provide the following information:

- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
- identification of any thermal overload or voltage limit violations resulting from the interconnection;
- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection and
- description and non-binding, good faith estimated cost of facilities required to interconnect the Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.

6.0 Interconnection Customer shall provide the deposit specified under Section 8.2 of the GIP for the performance of the Interim Availability Interconnection System Impact Study. Transmission Provider's good faith estimate for the time of completion of the Interim Availability Interconnection System Impact Study is [insert date].

Upon receipt of the Interim Availability Interconnection System Impact Study results, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interim Availability Interconnection System Impact Study.

Any difference between the deposit and Interconnection Customer's study cost obligation shall be paid by or refunded to Interconnection Customer, as appropriate per Section 13.3 of the Generator Interconnection Procedures.

7.0 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 Applicability. This Agreement is subject to all applicable federal and state Laws and Regulations.

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

8.0 Notices.

- 8.1 General.** Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

Attention: _____

- 8.2 Alternative Forms of Notice.** Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email.

9.0 Force Majeure

- 9.1 Economic Hardship.** Economic hardship is not considered a Force Majeure event.

- 9.2 Default.** Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state the full details 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 due diligence 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.

10.0 Indemnity

10.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, 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 action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, to assume the defense of such claim, such indemnified person 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

10.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 10.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to 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. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Provider shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 either Party will not constitute a waiver of any rights or claims either Party may have under the GIP.

14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider 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 provide notice to Interconnection Customer of a Default pursuant to Article 16. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

15.0 Representations, Warranties, and Covenants

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

15.1.1 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; 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 Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement 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).

15.1.3 No Conflict. The execution, delivery and performance of this Agreement 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.

15.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement 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 Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

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16.1 General. A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 Events of Breach. A Breach of this Agreement shall include:

- (a) The failure to pay any amount when due;
- (b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
- (c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;
- (d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;
- (e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the "Non-Breaching Party"), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the "Breaching Party") and to any other person a Party to this Agreement identifies in

writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

- 16.4 Right to Compel Performance.** Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. Miscellaneous

- 17.1 Binding Effect.** This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

- 17.2 Conflicts.** In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.

- 17.3 Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

- 17.4 Entire Agreement.** This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and

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

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

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

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

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

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

17.9 Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.

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

17.11 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither 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 Party.

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

[Insert name of Transmission Provider]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Attachment A to Appendix 5
Interim Availability Interconnection System Impact
Study Agreement

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

The Interim Availability Interconnection System Impact Study will be based upon the information set forth in the Interconnection Requests and results of applicable prior studies, subject to any modifications in accordance with Section 4.4 of the GIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

[Above assumptions to be completed by Interconnection Customer and other assumptions to be provided by Interconnection Customer, Transmission Owner and Transmission Provider]

**GENERATING FACILITY DATA FOR THE
INTERIM AVAILABILITY INTERCONNECTION SYSTEM IMPACT STUDY**

UNIT RATINGS

Nameplate kVA _____ °F _____ Voltage _____
Prime Mover type _____
Power Factor: Lead _____ Lag _____
Speed (RPM) _____ Connection (e.g. Wye) _____
Short Circuit Ratio _____ Frequency, Hertz _____
Stator Amperes at Rated kVA _____ Field Volts _____
Max Turbine Power: Summer MW _____ °F _____
Winter MW _____ °F _____

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = _____ kW sec/kVA
Moment-of-Inertia, WR^2 = _____ lb. ft.²

REACTANCE DATA (PER UNIT-RATED KVA)

	DIRECT AXIS	QUADRATURE AXIS
Synchronous – saturated	X_{dv} _____	X_{qv} _____
Synchronous – unsaturated	X_{di} _____	X_{qi} _____

Transient – saturated	X'_{dv}	_____	X'_{qv}	_____
Transient – unsaturated	X'_{di}	_____	X'_{qi}	_____
Subtransient – saturated	X''_{dv}	_____	X''_{qv}	_____
Subtransient – unsaturated	X''_{di}	_____	X''_{qi}	_____
Negative Sequence – saturated	$X2_v$	_____		
Negative Sequence – unsaturated	$X2_i$	_____		
Zero Sequence – saturated	$X0_v$	_____		
Zero Sequence – unsaturated	$X0_i$	_____		
Leakage Reactance	Xl_m	_____		

FIELD TIME CONSTANT DATA (SEC)

Open Circuit	T'_{do}	_____	T'_{qo}	_____
Three-Phase Short Circuit Transient	T'_{d3}	_____	T'_q	_____
Line to Line Short Circuit Transient	T'_{d2}	_____		
Line to Neutral Short Circuit Transient	T'_{d1}	_____		
Short Circuit Subtransient	T''_d	_____	T''_q	_____
Open Circuit Subtransient	T''_{do}	_____	T''_{qo}	_____

ARMATURE TIME CONSTANT DATA (SEC)

Three Phase Short Circuit	T_{a3}	_____
Line to Line Short Circuit	T_{a2}	_____
Line to Neutral Short Circuit	T_{a1}	_____

NOTE: If requested information is not applicable, indicate by marking "N/A."

MW CAPABILITY AND PLANT CONFIGURATION GENERATING FACILITY DATA

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

Positive	R_1	_____
Negative	R_2	_____
Zero	R_0	_____

Rotor Short Time Thermal Capacity $I_2^2 t =$ _____

Field Current at Rated kVA, Armature Voltage and PF = _____ amps

Field Current at Rated kVA and Armature Voltage, 0 PF = _____ amps

Three Phase Armature Winding Capacitance = _____ microfarad

Field Winding Resistance = _____ ohms _____ °C
 Armature Winding Resistance (Per Phase) = _____ ohms _____ °C

CURVES

Provide Saturation, Vee, Reactive Capability, Capacity Temperature Correction curves.
 Designate normal and emergency Hydrogen Pressure operating range for multiple curves.

GENERATOR STEP-UP TRANSFORMER DATA RATINGS

Capacity Self-cooled/
 Maximum Nameplate
 / kVA

Voltage Ratio (Generator Side/System side/Tertiary)
 / / kV

Winding Connections (Low V/High V/Tertiary V (Delta or Wye))
 / _____ / _____

Fixed Taps Available _____

Present Tap Setting _____

Impedance: Positive Z_1 (on self-cooled kVA rating) % X/R

Impedance: Zero Z_0 (on self-cooled kVA rating) % X/R

EXCITATION SYSTEM DATA

Identify appropriate IEEE model block diagram of excitation system and power system stabilizer (PSS) for computer representation in power system stability simulations and the corresponding excitation system and PSS constants for use in the model.

GOVERNOR SYSTEM DATA

Identify appropriate IEEE model block diagram of governor system for computer representation in power system stability simulations and the corresponding governor system constants for use in the model.

WIND GENERATORS

Number of generators to be interconnected pursuant to this Interconnection Request:

Elevation: _____ Single Phase _____ Three Phase

Inverter manufacturer, model name, number, and version:

List of adjustable setpoints for the protective equipment or software:

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet or other compatible formats, such as IEEE and PTI power flow models, must be supplied with the Interconnection Request. If other data sheets are more appropriate to the proposed device, then they shall be provided and discussed at Scoping Meeting.

INDUCTION GENERATORS

- (*) Field Volts: _____
- (*) Field Amperes: _____
- (*) Motoring Power (kW): _____
- (*) Neutral Grounding Resistor (If Applicable): _____
- (*) I_2^2t or K (Heating Time Constant): _____
- (*) Rotor Resistance: _____
- (*) Stator Resistance: _____
- (*) Stator Reactance: _____
- (*) Rotor Reactance: _____
- (*) Magnetizing Reactance: _____
- (*) Short Circuit Reactance: _____
- (*) Exciting Current: _____
- (*) Temperature Rise: _____
- (*) Frame Size: _____
- (*) Design Letter: _____
- (*) Reactive Power Required In Vars (No Load): _____
- (*) Reactive Power Required In Vars (Full Load): _____
- (*) Total Rotating Inertia, H: _____ Per Unit on KVA Base

Note: Please consult Transmission Provider prior to submitting the Interconnection Request to determine if the information designated by (*) is required.

APPENDIX 9 TO GIP

CERTIFICATION CODES AND STANDARDS

Certification and interconnection of Interconnection Customer's facilities with Transmission Owner's facilities shall be governed by all applicable local, state and federal statutes and regulations. In addition, Interconnection Customer's facilities shall be installed in accordance with all provisions set forth in Transmission Owner's Facility Connection Standard, Transmission Owner Service Standard and the National Electrical Safety Code (ANSI2), National Electrical Code (NFPA70), North American Electric Reliability Council (NERC), Regional Reliability Councils, American National Standards Institute (ANSI), Institute of Electrical and Electronics Engineers (IEEE), or other regulatory or governing body having jurisdiction. Connection of Interconnection Customer's facilities with Transmission Owner's facilities shall further be governed by any applicable statute, rule, order, provision, guide, or code of an organization, council, institute, regulatory or governing body having jurisdiction over such matters.

A sample list of such requirements is shown below (Note this list is not all-inclusive and the entities responsible for these requirements may update them at any time. The current versions shall be applicable.):

IEEE1547 Standard for Interconnecting Distributed Resources with Electric Power Systems (including use of IEEE 1547.1 testing protocols to establish conformity)

UL 1741 Inverters, Converters, and Controllers for Use in Independent Power Systems

IEEE Std 929-2000 IEEE Recommended Practice for Utility Interface of Photovoltaic (PV) Systems

NFPA 70 (2002), National Electrical Code

IEEE Std C37.90.1-1989 (R1994), IEEE Standard Surge Withstand Capability (SWC) Tests for Protective Relays and Relay Systems

IEEE Std C37.90.2 (1995), IEEE Standard Withstand Capability of Relay Systems to Radiated Electromagnetic Interference from Transceivers

IEEE Std C37.108-1989 (R2002), IEEE Guide for the Protection of Network Transformers

IEEE Std C57.12.44-2000, IEEE Standard Requirements for Secondary Network Protectors

IEEE Std C62.41.2-2002, IEEE Recommended Practice on Characterization of Surges in Low Voltage (1000V and Less) AC Power Circuits

IEEE Std C62.45-1992 (R2002), IEEE Recommended Practice on Surge Testing for Equipment Connected to Low-Voltage (1000V and Less) AC Power Circuits

ANSI C84.1-1995 Electric Power Systems and Equipment – Voltage Ratings (60 Hertz)

IEEE Std 100-2000, IEEE Standard Dictionary of Electrical and Electronic Terms

NEMA MG 1-1998, Motors and Small Resources, Revision 3

IEEE Std 519-1992, IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems

NEMA MG 1-2003 (Rev 2004), Motors and Generators, Revision 1

APPENDIX 13 TO THE GENERATOR INTERCONNECTION PROCEDURES

GENERATOR INTERCONNECTION AGREEMENT (GIA)

(For use when Western-UGP is a Party to the GIA, as the Transmission Owner)

TABLE OF CONTENTS

Recitals

Article 1. Definitions

Article 2. Effective Date, Term, and Termination

2.1 Effective Date

2.2 Term of Agreement

2.3 Termination Procedures

2.3.1 Written Notice

2.3.2 Default

2.4 Termination Costs

2.5 Disconnection

2.6 Survival

Article 3. Regulatory Filings

3.1 Filing

Article 4. Scope of Service

4.1 Interconnection Product Options

4.1.1 Energy Resource Interconnection Service

4.1.1.1 The Product

4.1.1.2 Transmission Delivery Service Implications

4.1.2 Network Resource Interconnection Service

4.1.2.1 The Product

4.1.2.2 Transmission Delivery Service Implications

4.2 Provision of Service

4.3 Performance Standards

4.4 No Transmission Delivery Service

4.5 Interconnection Customer Provided Services

Article 5. Interconnection Facilities Engineering, Procurement, and Construction

5.1 Options

- 5.1.1 Standard Option
- 5.1.2 Option to Build
- 5.1.3 Negotiated Option
- 5.2 General Conditions Applicable to Option to Build
- 5.3 Reserved
- 5.4 Power System Stabilizers
- 5.5 Equipment Procurement
- 5.6 Construction Commencement
- 5.7 Work Progress
- 5.8 Information Exchange
- 5.9 Limited Operation
- 5.10 Interconnection Customer's Interconnection Facilities ('ICIF')
 - 5.10.1 Interconnection Customer's Interconnection Facility Specifications
 - 5.10.2 Transmission Owner's Review
 - 5.10.3 ICIF Construction
 - 5.10.4 Updated Information Submission by Interconnection Customer
 - 5.10.5 Information Supplementation
- 5.11 Transmission Owner's Interconnection Facilities Construction
- 5.12 Access Rights
- 5.13 Lands of Other Property Owners
- 5.14 Permits
- 5.15 Early Construction of Base Case Facilities
- 5.16 Suspension
 - 5.16.2 Exemptions
- 5.17 Reserved
- 5.18 Tax Status
- 5.19 Modification
 - 5.19.1 General

5.19.2 Standards

5.19.3 Modification Costs

5.20 Delays

Article 6. Testing and Inspection

6.1 Pre-Commercial Operation Date Testing and Modifications

6.2 Post-Commercial Operation Date Testing and Modifications

6.3 Right to Observe Testing

6.4 Right to Inspect

Article 7. Metering

7.1 General

7.2 Check Meters

7.3 Standards

7.4 Testing of Metering Equipment

7.5 Metering Data

Article 8. Communications

8.1 Interconnection Customer Obligations

8.2 Remote Terminal Unit

8.3 No Annexation

8.4 Provision of Data from a Variable Energy Resource

Article 9. Operations

9.1 General

9.2 Control Area Notification

9.3 Transmission Provider and Transmission Owner Obligations

9.4 Interconnection Customer Obligations

9.5 Start-Up and Synchronization

9.6 Reactive Power

9.6.1 Power Factor Design Criteria

9.6.2 Voltage Schedules

9.6.2.1 Governors and Regulators

9.6.3 Payment for Reactive Power

9.7 Outages and Interruptions

9.7.1 Outages

9.7.1.1 Outage Authority and Coordination

9.7.1.2 Outage Schedules

9.7.1.3 Outage Restoration

9.7.2 Interruption of Service

9.7.3 Under-Frequency and Over Frequency Conditions

9.7.4 System Protection and Other Control Requirements

9.7.4.1 System Protection Facilities

9.7.5 Requirements for Protection

9.7.6 Power Quality

9.8 Switching and Tagging Rules

9.9 Use of Interconnection Facilities by Third Parties

9.9.1 Purpose of Interconnection Facilities

9.9.2 Third Party Users

9.10 Disturbance Analysis Data Exchange

Article 10. Maintenance

10.1 Transmission Owner Obligations

10.2 Interconnection Customer Obligations

10.3 Coordination

10.4 Secondary Systems

10.5 Operating and Maintenance Expenses

Article 11. Performance Obligation

11.1 Interconnection Customer Interconnection Facilities

11.2 Generating Facility

11.3 Transmission Owner's Interconnection Facilities

- 11.4 Network Upgrades and Distribution Upgrades
- 11.5 Transmission Credits
 - 11.5.1 Credits for Amounts Advanced for Network Upgrades
 - 11.5.2 Special Provisions for Affected Systems
- 11.6 Initial Payment
- 11.7 Provision of Security
- 11.8 Advance Payment
- 11.9 Interconnection Customer Compensation
 - 11.9.1 Interconnection Customer Compensation for Actions During
Emergency Condition
- Article 12. Invoice
 - 12.1 General
 - 12.2 Final Invoice
 - 12.3 Payment
 - 12.4 Disputes
- Article 13. Emergencies
 - 13.1 Definition
 - 13.2 Obligations
 - 13.3 Notice
 - 13.4 Immediate Action
 - 13.5 Transmission Provider and Transmission Owner Authority
 - 13.5.1 General
 - 13.5.2 Reduction and Disconnection
 - 13.6 Interconnection Customer Authority
 - 13.7 Limited Liability
- Article 14. Regulatory Requirements and Governing Law
 - 14.1 Regulatory Requirements
 - 14.2 Governing Law
- Article 15. Notices

15.1	General
15.2	Billings and Payments
15.3	Alternative Forms of Notice
15.4	Operations and Maintenance Notice
Article 16.	Force Majeure
16.1	Force Majeure
Article 17.	Default
17.1	Default
17.1.1	General
17.1.2	Right to Terminate
Article 18.	Indemnity, Consequential Damages and Insurance
18.1	Indemnity
18.1.1	Indemnified Person
18.1.2	Indemnifying Party
18.1.3	Indemnity Procedures
18.2	Consequential Damages
18.3	Interconnection Customer Insurance
18.4	Transmission Owner Insurance
Article 19.	Assignment
19.1	Assignment
Article 20.	Severability
20.1	Severability
Article 21.	Comparability
21.1	Comparability
Article 22.	Confidentiality
22.1	Confidentiality
22.1.1	Term
22.1.2	Scope

22.1.3 Release of Confidential Information

22.1.4 Rights

22.1.5 No Warranties

22.1.6 Standard of Care

22.1.7 Order of Disclosure

22.1.8 Termination of Agreement

22.1.9 Remedies

22.1.10 Disclosure to FERC, its Staff, or a State

Article 23. Environmental Releases

Article 24. Information Requirements

24.1 Information Acquisition

24.2 Information Submission by Transmission Provider

Article 25. Information Access and Audit Rights

25.1 Information Access

25.2 Reporting of Non-Force Majeure Events

25.3 Audit Rights

25.4 Audit Rights Periods

25.4.1 Audit Rights Period for Construction-Related Accounts and Records

25.4.2 Audit Rights Period for All Other Accounts and Records

25.5 Audit Results

Article 26. Subcontractors

26.1 General

26.2 Responsibility of Principal

26.3 No Limitation by Insurance

Article 27. Disputes

27.1 Submission

Article 28. Representations, Warranties, and Covenants

28.1 General

28.1.1 Good Standing

28.1.2 Authority

28.1.3 No Conflict

28.1.4 Consent and Approval

Article 29. Joint Operating Committee

29.1 Joint Operating Committee

Article 30. Miscellaneous

30.1 Binding Effect

30.2 Conflicts

30.3 Rules of Interpretation

30.4 Entire Agreement

30.5 No Third Party Beneficiaries

30.6 Waiver

30.7 Headings

30.8 Multiple Counterparts

30.9 Amendment

30.10 Modification by the Parties

30.11 Reservation of Rights

30.12 No Partnership

Appendix A - Interconnection Facilities, Network 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 – Requirements of Generators Relying on Newer Technologies

GENERATOR INTERCONNECTION AGREEMENT

THIS GENERATOR INTERCONNECTION AGREEMENT

("Agreement") is made and entered into this ____ day of _____ 20__, by and among _____, a _____ organized and existing under the laws of the State/Commonwealth of _____ ("Interconnection Customer" with a Generating Facility), Southwest Power Pool, Inc., a corporation organized and existing under the laws of the State of Arkansas ("Transmission Provider") and Western Area Power Administration-Upper Great Plains Region ("Western-UGP"), a Federal power marketing agency organized under the United States Department of Energy ("Transmission Owner"). Interconnection Customer, Transmission Provider and Transmission Owner each may be referred to as a "Party" or collectively as the "Parties."

Recitals

WHEREAS, Transmission Provider functionally controls the operation of 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 C to this Agreement; and,

WHEREAS, Transmission Owner owns facilities to which the Generating Facility is to be interconnected and may be constructing facilities to allow the interconnection; and,

WHEREAS, Interconnection Customer, Transmission Provider and Transmission Owner have agreed to enter into this Agreement 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:

When used in this Generator Interconnection Agreement, terms with initial capitalization that are not defined in Article 1 shall have the meanings specified in the Article in which they are used or the Open Access Transmission Tariff (Tariff).

Article 1. Definitions

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 system other than the Transmission System that may be affected by the proposed interconnection.

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.

Applicable Reliability Council shall mean the reliability council applicable to the Transmission System to which the Generating Facility is directly interconnected.

Applicable Reliability Standards shall mean the requirements and guidelines of NERC, the Applicable Reliability Council, and the Control Area of the Transmission System to which the Generating Facility is directly interconnected.

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

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Generator Interconnection Agreement.

Breaching Party shall mean a Party that is in Breach of the Generator Interconnection Agreement.

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

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

Clustering shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting Interconnection Studies.

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 the Generator Interconnection Agreement.

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

Control Area shall mean an electrical system or systems bounded by interconnection metering and telemetry, capable of controlling generation to maintain its interchange schedule with other Control Areas and contributing to frequency regulation of the interconnection. A Control Area must be certified by the Applicable Reliability Council.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Generator Interconnection Agreement.

Definitive 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 a Preliminary Interconnection System Impact Study or that may be caused by the withdrawal or addition of an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Definitive Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3A of the Generator Interconnection Procedures for conducting the Definitive Interconnection System Impact Study.

Definitive Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Definitive Interconnection System Impact Study.

Dispute Resolution shall mean the procedure in Section 12 of the Tariff for resolution of a dispute between 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 that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.

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 transmission 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 the Generator Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of Transmission Provider, 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 or the electric systems of others to which the Transmission System is directly connected; or (3) that, in the case of 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 Transmission Owner's Interconnection Facilities ;or (4) 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 black start shall be considered Emergency Conditions; provided, that Interconnection Customer is not obligated by the Generator Interconnection Agreement to possess black start capability.

Energy Resource Interconnection Service shall mean an Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself 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.

Environmental Review shall mean a study conducted by the Transmission Owner that contains a review of the proposed interconnection to the Transmission Owner's transmission facilities, pursuant to the National Environmental Policy Act (NEPA), 42 U.S.C. §4321, et seq., as amended, and setting forth Interconnection Customer's responsibilities in connection with such review of the interconnection.

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 (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 acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Interconnection Customer's device 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 applicable to an Interconnection Request pertaining to a Generating Facility that is included in the Transmission Provider's Tariff.

Generator Interconnection Procedures (GIP) shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Generating Facility that are included in the Transmission Provider's Tariff.

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.

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.

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 back feed power.

Interconnection Customer shall mean any entity, including the 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 the Generator Interconnection Agreement, 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. 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 are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

Interconnection Facilities Study shall mean a study conducted by the Transmission Provider or a third party consultant for the Interconnection Customer to determine a list of facilities (including Transmission Owner's Interconnection Facilities and Network Upgrades as identified in the Definitive Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission System. The scope of the study is defined in Section 8 of the Generator Interconnection Procedures.

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 Facilities Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Facilities Study.

Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Generating Facility to the Transmission System, the scope of which is described in Section 6 of the Generator Interconnection Procedures.

Interconnection Feasibility Study Agreement shall mean the form of agreement contained in Appendix 2 of the Generator Interconnection Procedures for conducting the Interconnection Feasibility Study.

Interconnection Feasibility Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Feasibility Study.

Interconnection Queue Position shall mean the order of a valid Interconnection Request within the Interconnection Facilities Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Facilities Study Queue, which is established based upon the requirements in Section 4.1.3 of the Generator Interconnection Procedures.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Generator Interconnection Procedures, in accordance with the Tariff, 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 Interconnection Customer's Generating Facility to the Transmission Provider's 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 the Generator Interconnection Agreement and, if applicable, the Tariff.

Interconnection Study shall mean any of the following studies: the Interconnection Feasibility Study, the Preliminary Interconnection System Impact Study, the Definitive Interconnection System Impact Study and the Interconnection Facilities Study described in the Generator Interconnection Procedures.

Interconnection Study Agreement shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Preliminary Interconnection System Impact Study Agreement, the Definitive Interconnection System Impact Study Agreement and the Interconnection Facilities Study Agreement described in the Generator Interconnection Procedures.

IRS shall mean the Internal Revenue Service.

Joint Operating Committee shall be a group made up of representatives from Interconnection Customer, Transmission Owner and the Transmission Provider to coordinate operating and technical considerations of Interconnection Service.

Loss shall mean any and all losses 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 another Party's performance, or non-performance of its obligations under the Generator Interconnection Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying 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 the Generator Interconnection Agreement 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 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 shall mean an Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with the Transmission System in a manner comparable to that in which the Transmission Owner integrates its generating facilities to serve Native Load Customers as a Network Resource. Network Resource Interconnection Service in and of itself 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 to accommodate the interconnection of the Generating Facility to the Transmission System.

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with the Generator Interconnection Agreement or its performance.

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 to the Generator Interconnection Agreement, where the Interconnection Facilities connect to the Transmission System.

Preliminary 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 an Interconnection Feasibility Study or that may be caused by an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Preliminary Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3 of the Generator Interconnection Procedures for conducting the Preliminary Interconnection System Impact Study.

Preliminary Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Preliminary Interconnection System Impact Study.

Previous Network Upgrade shall mean a Network Upgrade that is needed for the interconnection of one or more Interconnection Customers' Generating Facilities, but is not the cost responsibility of the Interconnection Customer, subject to restudy, and which is identified in Appendix A of the Generator Interconnection Agreement.

Queue shall mean the Interconnection Feasibility Study Queue, the Preliminary Interconnection System Impact Study Queue, the Definitive Interconnection System Impact Study Queue, or the Interconnection Facilities Study Queue, as applicable.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Generator Interconnection Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer, Transmission Owner 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 listed in Appendix A of the Generator Interconnection Agreement that is needed for the interconnection of multiple Interconnection Customers' Generating Facilities and which is the shared funding responsibility of such Interconnection Customers that may also benefit 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 of sufficient size for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size 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 of sufficient size for such purpose.

Small Generating Facility shall mean a Generating Facility that has an aggregate net Generating Facility Capacity of no more than 2 MW.

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 the Generator Interconnection Agreement.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the Transmission System 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 FERC, and as amended or supplemented from time to time, or any successor tariff.

Transmission Owner shall mean an entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of Interconnection and may be a Party to the Generator Interconnection Agreement to the extent necessary.

Transmission Provider shall mean the public utility (or its Designated Agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the Tariff. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from the Transmission Provider.

Transmission Owner's Interconnection Facilities shall mean all facilities and equipment owned, controlled or operated by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Generator Interconnection Agreement, 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 Stand Alone Network Upgrades or Network Upgrades.

Transmission System shall mean the facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide transmission 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.

Variable Energy Resource shall mean a device for the production of electricity that is characterized by an energy source that: (1) is renewable; (2) cannot be stored by the facility owner or operator; and (3) has variability that is beyond the control of the facility owner or operator.

Western Area Power Administration-Upper Great Plains Region (“Western-UGP”) shall mean a division of the Western Area Power Administration, a Federal power marketing agency, and Transmission Owner, that markets and transmits Federal power over Federal transmission facilities that have been transferred to the functional control of the Transmission Provider.

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 ten (10) years from the Effective Date or such other longer period as Interconnection Customer may request (Term to be specified in individual agreements) and shall be automatically renewed for each successive one-year period thereafter.

Notwithstanding this Article 2.2 or 2.3, the maximum effective period of this GIA shall be forty (40) years from the Effective Date. Five years prior to termination, Interconnection Customer shall provide written notice of its intention to extend the GIA. Upon receiving such notice, Transmission Provider and Transmission Owner shall enter into good faith discussions regarding an extension of the GIA at Interconnection Customer’s request.

2.3 Termination Procedures.

2.3.1 Written Notice. This GIA may be terminated by Interconnection Customer after giving Transmission Provider and Transmission Owner ninety (90) Calendar Days advance written notice, or by Transmission Provider notifying FERC after the Generating Facility permanently ceases Commercial Operation.

2.3.2 If the Generating Facility fails to achieve Commercial Operation for three (3) consecutive years following the Commercial Operation Date, this GIA may be terminated by the Transmission Provider after giving the Interconnection Customer ninety (90) Calendar Days advance written notice. Where a portion of the Generating Facility fails to achieve Commercial Operation for three (3) consecutive years following the Commercial Operation Date, the Transmission Provider shall issue a revised GIA to reflect the amount of the Generating Facility Capacity that achieved Commercial Operation. The revised GIA shall be consistent with the GIP in effect on the Effective Date of the GIA.

2.3.3 Default. Any Party may terminate this GIA in accordance with Article 17.

2.3.4 Notwithstanding Articles 2.3.1, 2.3.2 and 2.3.3, 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, which notice has been accepted for filing by FERC.

2.4 Termination Costs. If a Party elects to terminate this Agreement pursuant to Article 2.3 above, Interconnection Customer and Transmission Owner shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment) or charges assessed by any other Party, as of the date of such Party's receipt of such notice of termination, that are the responsibility of the Terminating Party under this GIA. In the event of termination by any Party, all Parties shall use Commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this GIA:

2.4.1 With respect to any portion of Transmission Owner's Interconnection Facilities that have not yet been constructed or installed, Transmission Owner shall to the extent possible and with Interconnection Customer's authorization 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 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 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 Network Upgrades for which Transmission Owner has incurred expenses and has not been reimbursed by Interconnection Customer and the Interconnection Customer's allocated share of Network Upgrade(s) costs as calculated pursuant to Section 4.2.5 of the GIP and as listed in Appendix A of this GIA which are required for service to other Interconnection Customer(s).

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.

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 or other disposition or retirement of such materials, equipment, or facilities.

2.5 Disconnection. Upon termination of this GIA, the Parties will take all appropriate steps to disconnect the Generating Facility from the Transmission System. 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 payments for any credits under 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 another 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. Transmission Provider shall file this GIA (and any amendment hereto) with the appropriate Governmental Authority, if required. Interconnection Customer may request that any information so provided be subject to the confidentiality provisions of Article 22. If Interconnection Customer has executed this GIA, or any amendment thereto, Interconnection Customer 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:

4.1.1 Energy Resource Interconnection Service.

4.1.1.1 The Product. Energy Resource Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Transmission System 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 Energy Resource Interconnection Service, Transmission Provider shall construct facilities identified in Appendix A.

4.1.1.2 Transmission Delivery Service Implications. Under Energy Resource Interconnection Service, 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. 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 System 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 Upgrades.

4.1.2 Network Resource Interconnection Service.

4.1.2.1 The Product. Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Generating Facility in a manner comparable to that in which Transmission Owner integrates its generating facilities to serve Native Load Customers as all Network Resources. To the extent Interconnection Customer wants to receive Network Resource Interconnection Service, Transmission Owner shall construct the facilities identified in Appendix A to this GIA.

4.1.2.2 Transmission Delivery Service Implications. Network Resource Interconnection Service allows Interconnection Customer's 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 interconnected to the Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur. Although Network Resource Interconnection Service does not convey a reservation of transmission service, any Network Customer under the Tariff can utilize its network service under the Tariff to obtain delivery of energy from the interconnected Interconnection Customer's Generating Facility in the same manner as it accesses Network Resources. A Generating Facility receiving Network Resource 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 an Interconnection Customer's Generating Facility has not been designated as a Network Resource by any load, 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.

Network Resource Interconnection Service does not necessarily provide 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 constraints on the Transmission System, Interconnection Customer's Generating Facility shall be subject to the applicable congestion management procedures in Transmission Provider's 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 Interconnection Customer's Generating Facility be designated as a Network Resource by a Network Service Customer under the Tariff or that 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 Transmission Provider's Tariff.

Once an Interconnection Customer satisfies the requirements for obtaining Network Resource 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 or not such Generating Facility is ever designated by a Network Customer as a Network Resource and regardless of changes in ownership of the Generating Facility. However, the reduction or elimination of congestion or redispatch costs may require additional studies and the construction of additional upgrades.

To the extent 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 Transmission Provider to grant such request.

- 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, and to the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this GIA for its compliance therewith. If such Party is a Transmission

Provider or Transmission Owner, then that Party shall amend the GIA and Transmission Provider shall submit the amendment to FERC 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 Transmission Provider's 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 13.5.1. Interconnection Customer shall be paid for such services in accordance with Article 11.9.

Article 5. Interconnection Facilities Engineering, Procurement, and Construction

- 5.1 Options.** Unless otherwise mutually agreed to between the Parties, Interconnection Customer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date; and either the Option To Build as described under Article 5.1.2 or the Negotiated Option described under Article 5.1.3 if the Interconnection Customer and the Transmission Owner cannot reach agreement under the Standard Option described under Article 5.1.1, for completion of Transmission Owner's Interconnection Facilities and Network Upgrades as set forth in Appendix A, Interconnection Facilities and Network Upgrades, and such dates and selected option, as applicable, shall be set forth in Appendix B, Milestones.

5.1.1 Standard Option. Transmission Owner shall design, procure, and construct Transmission Owner's Interconnection Facilities and Network Upgrades, using Reasonable Efforts to complete Transmission Owner's Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B, Milestones. 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, and Applicable Laws and Regulations. In the event Transmission Owner reasonably expects that it will not be able to complete Transmission Owner's Interconnection Facilities, and Network Upgrades by the specified dates, Transmission Owner shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Option to Build. If the dates designated by Interconnection Customer are not acceptable to Transmission Owner, Transmission Owner shall so notify 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 on the dates specified in Article 5.1.1. Transmission Owner and Interconnection Customer 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.

5.1.3 Negotiated Option. If Interconnection Customer elects not to exercise its option under Article 5.1.2, 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, the provision of incentives or the procurement and construction of a portion of 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 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 Transmission Owner's Interconnection Facilities and Network Upgrades pursuant to 5.1.1, Standard Option.

5.2 General Conditions Applicable to Option to Build. If Interconnection Customer assumes responsibility for the design, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades,

- (1) Interconnection Customer shall engineer, procure equipment, and construct 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 Transmission Owner;
- (2) Interconnection Customer's engineering, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades shall comply with all requirements of law to which Transmission Provider would be subject in the engineering, procurement or construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (3) Transmission Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (4) Prior to commencement of construction, Interconnection Customer shall provide to Transmission Provider and Transmission Owner a schedule for construction of Transmission Provider'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 Owner shall have the right to gain unrestricted access to Transmission Owner'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 Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Transmission Owner, Interconnection Customer shall be obligated to remedy deficiencies in that portion of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (7) Interconnection Customer shall indemnify Transmission Provider and Transmission Owner for claims arising from 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 Transmission Provider;
- (9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Transmission Owner's Interconnection Facilities and Stand-Alone Network Upgrades to Transmission Owner not later than the Commercial Operation Date;
- (10) Transmission Owner shall approve and accept for operation and maintenance Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and
- (11) Interconnection Customer shall deliver to Transmission Owner "as-built" drawings, information, and any other documents that are reasonably required by Transmission Owner to assure that the Interconnection Facilities and Stand-Alone Network Upgrades are built to the standards and specifications required by Transmission Provider.

5.3 Reserved.

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 reserves 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 not capable of automatic operation, Interconnection Customer shall immediately notify Transmission Owner's system operator, or its designated representative. The requirements of this paragraph shall not apply to wind generators.

5.5 Equipment Procurement. If responsibility for construction of Transmission Owner's Interconnection Facilities or Network Upgrades is to be borne by Transmission Owner, then Transmission Owner shall commence design of Transmission Owner's

Interconnection Facilities or Network 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 Transmission Provider has completed the Interconnection Facilities Study pursuant to the Interconnection Facilities Study Agreement;
 - 5.5.2 Transmission Owner has received written authorization to proceed with design and procurement from Interconnection Customer by the date specified in Appendix B, Milestones; and
 - 5.5.3 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.7 and advance payment to Transmission Owner in accordance with Article 11.8 by the dates specified in Appendix B, Milestones.
- 5.6 Construction Commencement.** Transmission Owner shall commence construction of Transmission Owner's Interconnection Facilities and Network 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 Transmission Owner's Interconnection Facilities and Network Upgrades;
 - 5.6.3 Transmission Owner has received written authorization to proceed with construction from Interconnection Customer by the date specified in Appendix B, Milestones; and
 - 5.6.4 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.7 and advance payment to Transmission Owner in accordance with Article 11.8 by the dates specified in Appendix B, Milestones.
- 5.7 Work Progress.** The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Parties may, at any time, request a progress report from other Parties. If, at any time, Interconnection Customer determines that the completion of Transmission Owner's Interconnection Facilities and Network Upgrades will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Transmission Provider and Transmission Owner of such later date upon which the completion of Transmission Owner's Interconnection Facilities and Network Upgrades will be required.
- 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 Parties' Interconnection Facilities and compatibility of the Interconnection Facilities with the Transmission System, and shall work diligently and in good faith to make any necessary design changes.

5.9 Limited Operation. If any of Transmission Owner's Interconnection Facilities or Network 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 Interconnection Customer's Interconnection Facilities may operate prior to the completion of Transmission Owner's Interconnection Facilities or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this GIA ("Limited Operation"). Transmission Owner shall permit Interconnection Customer to operate the Generating Facility and Interconnection Customer's Interconnection Facilities under Limited Operation in accordance with the results of such studies performed by Transmission Provider.

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, Interconnection Facilities, Network Upgrades and Distribution Upgrades.

5.10.1 Interconnection Customer's Interconnection Facility Specifications.

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

5.10.2 Transmission Owner's Review. 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 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 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, Interconnection Customer shall deliver to 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 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 Owner specifications for the excitation system, automatic voltage regulator, Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.10.4 Updated Information Submission by Interconnection Customer. The updated information submission by the Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date. Interconnection Customer shall submit 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 and Interconnection Facilities Studies. 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 the Parties 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 agreements 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 5.10.4. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

5.10.5 Information Supplementation. Prior to the Commercial Operation Date, or as soon as possible thereafter, the Parties shall supplement their information submissions described above in this Article 5 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 percent) 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 of 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 for each individual generating unit in a station.

Subsequent to the Commercial Operation Date, the Interconnection Customer shall provide Transmission Owner and Transmission Provider any information changes due to equipment replacement, repair, or adjustment. Transmission Owner shall provide the Interconnection Customer and Transmission Provider any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission Owner-owned 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.

- 5.11 Transmission Owner's Interconnection Facilities Construction.** Transmission Owner's Interconnection Facilities and Network Upgrades 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, Transmission Owner shall deliver to Interconnection Customer the following "as-built" drawings, information and documents for Transmission Owner's Interconnection Facilities and Network Upgrades [include appropriate drawings and relay diagrams].

Transmission Owner will obtain control of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades upon completion of such facilities.

- 5.12 Access Rights.** Upon reasonable notice and supervision by a Party, and subject to any required or necessary regulatory approvals, a Party ("Granting Party") shall furnish at no cost to any 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 Transmission Owner's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Transmission Owner, 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, and to the extent consistent with Federal or state law, as applicable, 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 Transmission Owner's Interconnection Facilities and/or Network 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 Provider or Transmission Owner shall provide permitting assistance to Interconnection Customer comparable to that provided to Transmission Provider's own, or an Affiliate's generation.

5.15 Early Construction of Base Case Facilities. 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 required for Interconnection Customer to be interconnected to the Transmission System which are included in the Base Case of the Facilities Study for Interconnection Customer, and which also are required to be constructed for another Interconnection Customer, but where such construction is not scheduled to be completed in time to achieve Interconnection Customer's In-Service Date.

5.16 Suspension.

5.16.1 Interconnection Customer, upon written notice to Transmission Provider and Transmission Owner, may suspend, for a period not to exceed 18 months, work by Transmission Owner associated with the construction and installation of Transmission Owner's Interconnection Facilities and/or Network Upgrades required under this GIA under the following terms and conditions,

- i. Construction of Network Upgrades that are required to provide Interconnection Service to other Generating Facilities and for which Interconnection Customer shares cost responsibility cannot be suspended pursuant to this Article 5.16.
- ii. If the suspension period begins later than or extends beyond six months following the Effective Date of the GIA, the Interconnection Customer shall provide to the Transmission Provider security in the form described under Article 11.7 in an amount equal to the greater of:
 - a. the Interconnection Customer's allocated share of Network Upgrade(s) as calculated pursuant to Section 4.2.5 of the GIP and as identified in

Appendix A of this GIA unless previously provided under Section 8.9 of the GIP; or

- b. \$5,000,000 if the Generating Facility is greater than or equal to 100 MW; or
 - c. \$2,500,000 if the Generating Facility is greater than or equal to 50 MW and less than 100 MW; or
 - d. \$1,000,000 if the Generating Facility is less than 50 MW; or
 - e. \$500,000 if the Generating Facility is less than or equal to 2 MW.
- iii. In the event that this GIA is terminated under this Article 5.16, the Transmission Provider shall retain the security provided pursuant to Article 5.16.1.ii in the amount required to meet Interconnection Customer's obligations pursuant to this GIA. Any difference between the security provided and Interconnection Customer's obligations shall be settled pursuant to Article 12.
- iv. 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 resume the work required under this GIA on or before the expiration of 18 months from the date of suspension, this GIA shall be deemed terminated unless Article 16 applies.
- v. In the event Interconnection Customer suspends work by Transmission Owner required under this GIA pursuant to this Article 5.16 and has not complied requirements of Article 5.16.1.ii on or before the later of the expiration of 6 months following the effective date of the GIA or the date the suspension is requested, this GIA shall be deemed terminated by the Interconnection Customer.
- vi. In the event Interconnection Customer suspends work by Transmission Owner required under this GIA pursuant to this Article 5.16, the Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Owner's safety and reliability criteria. Interconnection Customer shall be responsible for all reasonable and necessary costs which Transmission Owner and Transmission Provider (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 System during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which Transmission Owner cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Transmission Owner shall obtain Interconnection Customer's authorization to do so. Transmission Owner and Transmission Provider shall invoice Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs.

- vii. In the event Interconnection Customer provides written notice to resume work for those facilities for which work has been suspended pursuant to this Article 5.16.1, the Interconnection Customer shall receive a refund, including interest, of any payments provided in accordance with Article 5.16.1.ii in excess of the sum of Interconnection Customer's allocated share of Network Upgrade(s) costs and any costs incurred under Article 5.16.1.vi within 30 days of the date of such notice.

5.16.2 Exemptions. The Interconnection Customer shall be exempt from the payments described under Article 5.16.1.ii.b, 5.16.1.ii.c and 5.16.1.ii.d if the following occurs or Suspension is requested for the following reasons:

- i. Construction of a Network Upgrade or the Generating Facility is prevented by order of a Governmental Authority; or
- ii. Transmission Provider determines through an Interconnection Study that the Suspension does not qualify as a modification that has an impact on the cost or timing of any Interconnection Request with an equal or later Queue priority date (Material Modification); or
- iii. Transmission Owner or Transmission Provider determines that a Force Majeure event prevents construction of a Network Upgrade.

5.17 Reserved.

5.18 Tax Status. All Parties shall cooperate with each other to maintain their 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. Each 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 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 Owner 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 System, Transmission Owner's Interconnection Facilities or Network Upgrades necessitated by such Interconnection Customer modification and a good faith estimate of the costs thereof.

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 for the costs of any additions, modifications, or replacements that Transmission Owner makes to Transmission Owner's Interconnection Facilities or the Transmission System to facilitate the interconnection of a third party to Transmission Owner's Interconnection Facilities or the Transmission System, or to provide transmission service to a third party under Transmission Provider's Tariff. Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to 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.

5.20 Delays . If a Network Upgrade(s) identified in Appendix A is delayed during the construction process and the Commercial Operation Date for the Generating Facility identified in Appendix B is no longer feasible, the Commercial Operation Date in Appendix B may be modified to no later than six (6) months following the in-service date for the last Network Upgrade identified in Appendix A.

Article 6. Testing and Inspection

6.1 Pre-Commercial Operation Date Testing and Modifications. Prior to the Commercial Operation Date, Transmission Owner shall test Transmission Owner's Interconnection Facilities and Network Upgrades and Interconnection Customer shall test the Generating Facility and Interconnection Customer's Interconnection Facilities to ensure their safe and reliable operation. Similar testing may be required after initial operation. Each Party shall make any modifications to its 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 System in a safe and reliable manner. Each Party shall have the right, upon advance written notice, to require reasonable additional testing of the other Party's 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 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 another Parties' tests and/or inspection of any of its System Protection Facilities and other protective equipment, including power system stabilizers; (ii) review the settings of the other Parties' System Protection Facilities and other protective equipment; and (iii) review another Parties' maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. Any 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 another 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 any 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 shall install Metering Equipment at the Point of Interconnection prior to any operation of the Generating Facility and shall own, operate, test and maintain such Metering Equipment. Power flows to and from the Generating Facility shall be measured at or, at Transmission Owner's option, compensated to, the Point of Interconnection. Transmission Owner shall provide metering quantities, in analog and/or digital form, to Interconnection Customer and Transmission Provider on a same-time basis using communication as provided in Article 8. 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 Transmission Owner's meters. 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 Owner or its designee. The installation, operation and maintenance thereof shall be performed entirely by Interconnection Customer in accordance with Good Utility Practice.
- 7.3 Standards.** Transmission Owner shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards.
- 7.4 Testing of Metering Equipment.** Transmission Owner shall inspect and test all Transmission Owner-owned Metering Equipment in accordance with Transmission

Owner's meter testing policies. If requested to do so by Interconnection Customer, Transmission Owner shall, at Interconnection Customer's expense, inspect or test Metering Equipment more frequently than the periods set forth in the Transmission Owner's meter testing policies. Transmission Owner shall give reasonable notice of the time when any inspection or test shall take place, and Interconnection Customer 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 Transmission Owner's failure to maintain, then Transmission Owner 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 from the measurement made by the standard meter used in the test, Transmission Owner 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 last 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 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 Owner's Transmission System dispatcher or representative designated by Transmission Owner. 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 Owner 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 Owner. Any required maintenance of such communications equipment shall be performed by 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 the 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 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. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Transmission Owner.

Each Party will promptly advise the other Party if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by the other Party. 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.

8.4 Provision of Data from a Variable Energy Resource. The Interconnection Customer whose Generating Facility is a Variable Energy Resource shall provide meteorological and forced outage data to the Transmission Provider to the extent necessary for the Transmission Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. The Interconnection Customer with a Variable Energy Resource having wind as the energy source, at a minimum, will be required to provide the Transmission Provider with (i) site-specific meteorological data including: temperature, wind speed, wind direction, relative humidity and atmospheric pressure and (ii) site specific geographic data including location (latitude and longitude) of the Variable Energy Resource and location (latitude and longitude) and height of the facility that will contain the equipment necessary to provide the meteorological data for such resource. The Interconnection Customer with a Variable Energy Resource having solar as the energy source, at a minimum, will be required to provide the Transmission Provider with site-specific meteorological data including: temperature, atmospheric pressure, and irradiance. The Transmission Provider and Interconnection Customer whose Generating Facility is a Variable Energy Resource shall mutually agree to any additional meteorological data that are required for the development and deployment of a power production forecast. The Interconnection Customer whose Generating Facility is a Variable Energy Resource also shall submit data to the Transmission Provider regarding all forced outages to the extent necessary for the Transmission Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. The exact specifications of the meteorological and forced outage data to be provided by the Interconnection Customer to the Transmission Provider, including the frequency and timing of data submittals, shall be made taking into account the size and configuration of the Variable Energy Resource, its characteristics, location, and its importance in maintaining generation resource adequacy and transmission system reliability in its area. All requirements for meteorological, geographical and forced outage data must be commensurate with the power production forecasting employed by the Transmission Provider. Such requirements for meteorological, geographical and forced outage data are set forth in Appendix C, Interconnection Details, of this GIA, as they may change from time to time.

Article 9. Operations

- 9.1 General.** Each Party shall comply with the Applicable Reliability Council requirements. Each Party shall provide to the other Parties all information that may reasonably be required by the other Parties to comply with Applicable Laws and Regulations and Applicable Reliability Standards.
- 9.2 Control Area Notification.** At least three months before Initial Synchronization Date, Interconnection Customer shall notify Transmission Provider and Transmission Owner in writing of the Control Area in which the Generating Facility will be located. If Interconnection Customer elects to locate the Generating Facility in a Control Area other than the Control Area 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 Control Area 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 Control Area.
- 9.3 Transmission Provider and Transmission Owner Obligations.** Transmission Provider and Transmission Owner shall cause the Transmission System and Transmission Owner's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this GIA. Transmission Provider or Transmission Owner may provide operating instructions to Interconnection Customer consistent with this GIA and Transmission Owner's operating protocols and procedures as they may change from time to time. Transmission Provider and Transmission Owner 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. Interconnection Customer shall operate the Generating Facility and Interconnection Customer's Interconnection Facilities in accordance with all applicable requirements of the Control Area of which it 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 another 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 System.
- 9.6 Reactive Power.**
- 9.6.1 Power Factor Design Criteria.** Interconnection Customer shall design the Generating Facility to maintain a composite power delivery at continuous rated

power output at the Point of Interconnection at a power factor within the range of 0.95 leading to 0.95 lagging, unless Transmission Provider or Transmission Owner has established different requirements that apply to all generators in the Control Area on a comparable basis. A wind generator plant shall maintain a power factor within the range of .95 leading to .95 lagging, measured at the Point of Interconnection as defined in the GIA, if the Transmission Provider's System Impact Study shows that such a requirement is necessary to ensure safety or reliability.

9.6.2 Voltage Schedules. Once Interconnection Customer has synchronized the Generating Facility with the Transmission System, Transmission Provider and/or Transmission Owner 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). Transmission Owner's voltage schedules shall treat all sources of reactive power in the Control Area in an equitable and not unduly discriminatory manner. Transmission Owner 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 System. 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 the Transmission Owner.

9.6.2.1 Governors and Regulators. Whenever the Generating Facility is operated in parallel with the Transmission System 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 Owner'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 System or trip any generating unit comprising the Generating Facility for an under or over frequency condition in accordance with Good Utility Practice and Applicable Reliability Standards.

9.6.3 Payment for Reactive Power. Transmission Provider is required to pay Interconnection Customer for reactive power that Interconnection Customer provides or absorbs from the Generating Facility when Transmission Owner

requests Interconnection Customer to operate its Generating Facility outside the range specified in Article 9.6.1. Payments shall be pursuant to Article 11.9 or such other agreement to which the Parties have otherwise agreed; provided however, to the extent the Tariff contains a provision providing for such compensation, that Tariff provision shall control.

9.7 Outages and Interruptions.

9.7.1 Outages.

9.7.1.1 Outage Authority and Coordination. Each Party may in accordance with Good Utility Practice in coordination with the other Party remove from service any of its respective Interconnection Facilities or Network 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 schedule such removal on a date and time mutually acceptable to all 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. Transmission Provider shall post scheduled outages of its transmission facilities on the OASIS. Interconnection Customer shall submit its planned maintenance schedules for the Generating Facility to Transmission Provider for a minimum of a rolling twenty-four month period. 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 Interconnection Customer for any additional direct costs that 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 Interconnection Customer would have incurred absent 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, Interconnection Customer had modified its schedule of maintenance activities.

9.7.1.3 Outage Restoration. If an outage on a Party's Interconnection Facilities or Network Upgrades adversely affects another 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 explaining the nature of the outage.

9.7.2 Interruption of Service. If required by Good Utility Practice to do so, Transmission Provider and/or Transmission Owner may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Transmission Provider's and/or Transmission Owner'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 System;

9.7.2.3 When the interruption or reduction must be made under circumstances which do not allow for advance notice, Transmission Provider or Transmission Owner 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 or Transmission Owner shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration. Transmission Provider or Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the interruption or reduction during periods of least impact to Interconnection Customer and Transmission Owner;

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 System 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 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 System Protection Facilities as a part of the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Owner shall install at Interconnection Customer's expense any System Protection Facilities that may be required on Transmission Owner's Interconnection Facilities or the Transmission System as a result of the interconnection of the Generating Facility and the Interconnection Customer's Interconnection Facilities.

9.7.4.2 Each Party's protection facilities shall be designed and coordinated with other 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 Interconnection Customer's units.

9.7.4.5 Each Party will test, operate and maintain 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, each Party or its agent 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, each Party shall perform both calibration and functional trip tests of its System Protection Facilities. These tests do not require the tripping of any in-service generation 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 System 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 System. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Generating Facility and the Transmission System 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 System could adversely affect the Generating Facility.

9.7.6 Power Quality. No 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, or any applicable superseding electric industry standard, ANSI Standard C84.1-1989, or the applicable superseding electric industry standard, shall control.

9.8 Switching and Tagging Rules. Each Party shall provide the other Parties a copy of its switching and tagging rules that are applicable to the other Party's 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 Third 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 System and shall be used for no other purpose.

9.9.2 Third Party Users. If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld, to allow one or more third parties to use 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 third 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 third party users based upon the pro rata use of the Interconnection Facilities by Transmission Owner, all third 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 FERC for resolution.

- 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 System and Transmission Owner's Interconnection Facilities in a safe and reliable manner and in accordance with this GIA.
- 10.2 Interconnection Customer Obligations.** Interconnection Customer shall maintain the Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this GIA.
- 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 others 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 third

party and such third 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.

Article 11. Performance Obligation

11.1 Interconnection Customer Interconnection Facilities. Interconnection Customer shall design, procure, construct, install, own and/or control Interconnection Customer's Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at its sole expense.

11.2 Generating Facility. Interconnection Customer shall install the Generating Facilities described in Appendix C within three (3) years of the Commercial Operation Date(s) specified in Appendix B.

11.3 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, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at the sole expense of the Interconnection Customer.

11.4 Network Upgrades and Distribution Upgrades. All Network Upgrades and Distribution Upgrades described in Appendix A shall be constructed in accordance with the process set forth in Section VI of Attachment O. Transmission Owner shall design, procure, construct, install, and own the Network Upgrades and Distribution Upgrades described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades that are associated with that Transmission Owner's system. The Distribution Upgrades and Network Upgrades described in Appendix A shall be solely funded by Interconnection Customer unless Transmission Owner elects to fund the capital for the Distribution Upgrades or Network Upgrades.

11.4.1 Agreement to Fund Shared Network Upgrades. 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 Transmission Provider by Interconnection Customer will be disbursed by Transmission Provider to the appropriate entities that are constructing the Shared Network Upgrades in accordance with Attachment O of the Tariff. In the event that Interconnection Customer fails to meet its obligation to fund Shared Network Upgrades, Transmission Owner and Transmission Provider shall not be responsible for the Interconnection Customer's funding obligation.

11.4.2 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 (a) a

higher queued Interconnection Request withdrew or was deemed to have withdrawn, (b) the GIA associated with a higher queued Interconnection Request was terminated, or (c) changes occur in equipment design standards or reliability criteria giving rise to the need for restudy. 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, shall be provided in Appendix A.

11.4.3 Agreement to Restudy. The Interconnection Customer agrees to allow the Transmission Provider to perform a restudy in accordance with Sections 8.8 and 8.13 of the GIP if the Transmission Provider determines a restudy is required because one or more of the contingencies in Article 11.4.2 occurred. If a restudy is required, the Transmission Provider shall provide notice to Interconnection Customer. The Parties agree to amend Appendix A to this GIA in accordance with Article 30.10 to reflect the results of the restudy.

11.5 Transmission Credits.

11.5.1 Credits for Amounts Advanced for Network Upgrades. Interconnection Customer shall be entitled to credits in accordance with Attachment Z2 of the Tariff for any Network Upgrades including any tax gross-up or other tax-related payments associated with Network Upgrades, and not refunded to Interconnection Customer pursuant to Article 5.17.8.

11.5.2 Special Provisions for Affected Systems. Unless Transmission Provider provides, under the GIA, for the repayment of amounts advanced to Affected System Operator for Network Upgrades, Interconnection Customer and Affected System Operator shall enter into an agreement that provides for such repayment. The agreement shall specify the terms governing payments to be made by Interconnection Customer to the Affected System Operator as well as the repayment by the Affected System Operator.

11.5.3 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 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 transmission credits for transmission service that is not associated with the Generating Facility.

11.6 Initial Payment.

Interconnection Customer shall make an initial payment (“Initial Payment”) equal to the greater of a) twenty (20) percent of the total cost of Network Upgrades, Shared Network Upgrades, Transmission Owner Interconnection Facilities and/or Distribution Upgrades listed in Appendix A or b) \$4,000/MW of the size of the Generating Facility. Any remaining milestone deposits provided in Section 8.2 and Section 8.9 of the GIP will be applied to this requirement. The Initial Payment shall be provided to Transmission Owner or Transmission Provider as required in Appendix B by Interconnection Customer pursuant to this Article 11.6 within the later of a) thirty (30) days of the execution of the GIA by all Parties, or b) thirty (30) days of acceptance by FERC if the GIA is filed unexecuted and the payment is being protested by Interconnection Customer, or c) thirty (30) days of the filing if the GIA is filed unexecuted and the Initial Payment is not being protested by Interconnection Customer. If this GIA is terminated, then the Initial Payment shall be refunded with accrued interest, if any, to the Interconnection Customer less:

- a. any costs that have been incurred for the construction of the facilities specified in Appendix A;
- b. any funds necessary for the construction of those Shared Network Upgrades, or Network Upgrades, that would be assigned to another interconnection customer where such upgrade costs would not have been assigned but for the termination of the GIA; and
- c. any costs that have been incurred for the construction of those Shared Network Upgrades, or Network Upgrades, that are no longer required due to the termination of the GIA that were paid for by another interconnection customer.

11.7 Provision of Security. Payments for any upgrades installed by the Transmission Owner will be addressed in accordance with Article 11.8 of this GIA. For Network Upgrades and Distribution Upgrades that are not installed by the Transmission Owner, at least thirty (30) Calendar Days prior to the commencement of the procurement, installation, or construction of a discrete portion of Network Upgrades, or Distribution Upgrades as defined in Appendix A of this GIA, Interconnection Customer shall provide Transmission Provider, at Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Transmission Provider 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 costs for constructing, procuring and installing the applicable portion of Network Upgrades or Distribution Upgrades as defined in Appendix A of this GIA and shall be reduced on a dollar-for-dollar basis for payments made to Transmission Provider for these purposes. If Interconnection Customer requests suspension pursuant to Article 5.16, Interconnection Customer may be required to provide Transmission Provider security in the form described above for its allocated share of Network Upgrade(s) costs as calculated pursuant to Section 4.2.5 of the GIP and defined in Appendix A of this GIA.

In addition:

- 11.7.1** The guarantee must be made by an entity that meets the creditworthiness requirements of Transmission Provider, 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.
- 11.7.2** The letter of credit must be issued by a financial institution reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.
- 11.7.3** The surety bond must be issued by an insurer reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.8 Advance Payment.

- 11.8.1** For Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades constructed by Transmission Owner, Interconnection Customer shall be required to pay Transmission Owner for all actual costs incurred by Transmission Owner for the procurement, installation, or construction of a discrete portion of a Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and shall pay Transmission Owner, in advance, for all work to be conducted by the Transmission Owner, under the terms and conditions set forth in this GIA. Such advance payments shall be considered estimated costs for project planning, management, design, engineering, land purchase, environmental investigations, procurement, construction, inspection and commissioning activities for which such advance payments are then due. The funds shall be deposited by Interconnection Customer according to the instructions on individual invoices from Transmission Owner, which shall be delivered by Transmission Owner to Interconnection Customer at least ten (10) Business Days prior to the date of such payment being due. Transmission Owner shall not provide any labor, equipment, materials, parts, travel, or incur incidental costs associated with tasks described above, or commence any other work until applicable advance payment(s) is/are received in full.
- 11.8.2** Interconnection Customer shall not be required to make any subsequent payment to the Transmission Owner in the event tasks relating to the prior payment have not been substantially completed.
- 11.8.3** Transmission Owner shall keep detailed records for actual costs incurred. Interconnection Customer shall be entitled, during normal business hours and at its own expense, to review such records and supporting documentation. If, during procurement, installation, or construction of a discrete portion of a Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, or upon close-out of any phase of such activities, costs by Transmission Owner are expected to exceed the sum of payments made by Interconnection Customer, Transmission Owner will inform Interconnection Customer of the additional expenses and provide a written revision to the

estimate, together with an invoice for the amount due. Interconnection Customer shall then promptly pay Transmission Owner in full and without interest for the billed amount. If, upon completion of the procurement, installation, or construction of a discrete portion of Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, costs incurred by Transmission Owner are less than the sum of payment(s) made to Transmission Owner by Interconnection Customer, Transmission Owner shall refund the difference, unless such payments are otherwise non-refundable pursuant to Section 11.6 (Initial Payment), without interest, as soon as the necessary vouchers may be prepared.

11.9 Interconnection Customer Compensation. If Transmission Provider or Transmission Owner requests or directs Interconnection Customer to provide a service pursuant to Articles 9.6.3 (Payment for Reactive Power), or 13.5.1 of this GIA, Transmission Provider shall compensate Interconnection Customer in accordance with Interconnection Customer's applicable rate schedule then in effect unless the provision of such service(s) is subject to the Tariff. Interconnection Customer shall serve Transmission Provider with any filing of a proposed rate schedule at the time of such filing with FERC. To the extent that no rate schedule is in effect at the time the Interconnection Customer is required to provide or absorb any Reactive Power under this GIA, Transmission Provider agrees to compensate Interconnection Customer in such amount as would have been due Interconnection Customer had the rate schedule been in effect at the time service commenced; provided, however, that such rate schedule must be filed at FERC or other appropriate Governmental Authority within sixty (60) Calendar Days of the commencement of service.

11.9.1 Interconnection Customer Compensation for Actions During Emergency Condition. Transmission Provider shall compensate Interconnection Customer for its provision of real and reactive power and other Emergency Condition services that Interconnection Customer provides to support the Transmission System during an Emergency Condition in accordance with Article 11.9.

Article 12. Invoice

The terms of this Article 12 apply to billing between the Parties for construction and operation and maintenance charges. All other billing will be handled according to the Tariff.

12.1 General. Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due 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 Interconnection Facilities and the Network Upgrades, the Interconnection Customer shall receive an invoice of the final cost due under this GIA, including any applicable cost due to termination, which 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. Interconnection Customer shall receive a refund of 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 either Party will not constitute a waiver of any rights or claims either Party may have under this GIA.
- 12.4 Disputes.** In the event of a billing dispute between the Parties, Transmission Owner, and 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 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 Owner may 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 the other Party shall pay the amount due with the accrued interest, if any.

Article 13. Emergencies

- 13.1 Definition.** “Emergency Condition” shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, 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, or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of 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, Transmission Owner's Interconnection Facilities; or (4) 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 black start shall be considered Emergency Conditions; provided that Interconnection Customer is not obligated by the Generator Interconnection Agreement to possess black start capability.
- 13.2 Obligations.** Each Party shall comply with the Emergency Condition procedures of NERC, the Applicable Reliability Council, Transmission Provider, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.

13.3 Notice. Transmission Provider or Transmission Owner shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Owner's Interconnection Facilities or the Transmission System that may reasonably be expected to affect Interconnection Customer's operation of the Generating Facility or Interconnection Customer's Interconnection Facilities. Interconnection Customer shall notify Transmission Provider and Transmission Owner promptly when it becomes aware of an Emergency Condition that affects the Generating Facility or Interconnection Customer's Interconnection Facilities that may reasonably be expected to affect the Transmission System or 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 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.

13.4 Immediate Action. Unless, in Interconnection Customer's reasonable judgment, immediate action is required, Interconnection Customer shall obtain the consent of Transmission Owner, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Generating Facility or Interconnection Customer's Interconnection Facilities in response to an Emergency Condition either declared by Transmission Provider or Transmission Owner or otherwise regarding the Transmission System.

13.5 Transmission Provider and Transmission Owner Authority.

13.5.1 General. Transmission Provider and/or Transmission Owner may take whatever actions or inactions with regard to the Transmission System or 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 Transmission Owner's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

Transmission Provider and Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Provider and/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 13.5.2; directing Interconnection Customer to assist with blackstart (if available) or restoration efforts; or altering the outage schedules of the Generating Facility and Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of Transmission Provider's and 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.

13.5.2 Reduction and Disconnection. Transmission Provider and/or Transmission Owner may reduce Interconnection Service or disconnect the Generating Facility or 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 Transmission Provider pursuant to Transmission Provider's Tariff. When Transmission Provider and/or Transmission Owner can schedule the reduction or disconnection in advance, Transmission Provider and/or Transmission Owner shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider and/or Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Interconnection Customer, Transmission Provider and/or Transmission Owner. 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.

13.6 Interconnection Customer Authority. Consistent with Good Utility Practice and the GIA and the GIP, Interconnection Customer may take actions or inactions with regard to the Generating Facility or 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 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 Transmission Owner's Interconnection Facilities. Transmission Provider and/or Transmission Owner shall use Reasonable Efforts to assist Interconnection Customer in such actions.

13.7 Limited Liability. Except as otherwise provided in Article 11.9.1 of this GIA, no Party shall be liable to the other Parties 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.

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 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, or the Public Utility Regulatory Policies Act of 1978 as amended by the 2005 Energy Policy Act.

14.2 Governing Law.

14.2.1 The validity, interpretation and performance of this GIA and each of its provisions shall be governed by Federal law or by the laws of the state where the Point of Interconnection is located, as applicable.

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 another and any instrument required or permitted to be tendered or delivered by any Party in writing to another 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.

Any 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 another and not required by this Agreement 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 No Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 4), 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 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 due diligence 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 shall give written notice of such Breach to the breaching Party. Except as provided in Article 17.1.2, the breaching Party shall have thirty (30) Calendar Days from receipt of the Default 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 Default 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 shall have the right to declare a Default and terminate this GIA by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this GIA, to recover from the breaching Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this GIA.

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Parties harmless from, 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 Parties' action or inactions 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. Notwithstanding the provisions of this Article 18, the liability of the Transmission Owner shall be limited to and determined in accordance with the Federal Tort Claims Act, 28. U.S.C. § 1346(c), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.

18.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 18 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 18.1, to assume the defense of such claim, such indemnified person 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.

18.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 18, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

18.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 18.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such

event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

18.2 Consequential Damages. In no event shall any Party be liable to any other Party 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 any Party may be liable to another Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Interconnection Customer Insurance. Interconnection Customer shall at its own expense, maintain in force throughout the period of this GIA, and until released by all other Parties, the following minimum insurance coverages, with insurers authorized to do business in the state where the Point of Interconnection is located:

18.3.1 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. The minimum limits for the Employers' Liability insurance shall be One Million Dollars (\$1,000,000) each accident bodily injury by accident, One Million Dollars (\$1,000,000) each employee bodily injury by disease, and One Million Dollars (\$1,000,000) policy limit bodily injury by disease.

18.3.2 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 (if applicable), independent contractors coverage, coverage for pollution (if exposure is present) and punitive or exemplary damages, with minimum limits of One Million Dollars (\$1,000,000) each occurrence/Two Million Dollars (\$2,000,000) general aggregate and Two Million Dollars (\$2,000,000) products and completed operations aggregate combined single limit for personal injury, bodily injury, including death and property damage.

18.3.3 Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage.

18.3.4 Excess Liability Insurance over and above the Employers' Liability Commercial General Liability and Comprehensive Automobile Liability Insurance coverage,

with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) each occurrence/Twenty Million Dollars (\$20,000,000) general aggregate.

- 18.3.5** The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other Party, its parent, 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 Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.
- 18.3.6** The Commercial General Liability Insurance, 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.
- 18.3.7** 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 to by all Parties.
- 18.3.8** The requirements contained herein as to the types and limits of all insurance to be maintained by the Interconnection Customer are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this Agreement.
- 18.3.9** Within ten (10) days following execution of this GIA, 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 shall provide certification of all insurance required in this GIA, executed by each insurer or by an authorized representative of each insurer to the Other Party Group.
- 18.3.10** Notwithstanding the foregoing, Interconnection Customer may self-insure to meet the minimum insurance requirements of Articles 18.3.2 through 18.3.8 to the extent it maintains a self-insurance program; provided that, such Interconnection Customer's senior secured debt is rated at investment grade or better by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 18.3.2 through 18.3.8. For any period of time that an Interconnection Customer's senior secured debt is unrated by Standard & Poor's or

is rated at less than investment grade by Standard & Poor's, such Interconnection Customer shall comply with the insurance requirements applicable to it under Articles 18.3.2 through 18.3.9. In the event that Interconnection Customer 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 18.3.9.

18.3.11 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.

18.4 Transmission Owner Insurance. Transmission Owner is self-insured in accordance with its status as a Federal agency.

Article 19. Assignment

19.1 Assignment. This GIA may be assigned by any Party only with the written consent of the other Parties to any Affiliate of the assigning Party, or other third party, with an acceptable credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this GIA. Interconnection Customer shall have the right to assign this GIA, with the written consent of Transmission Provider and Transmission Owner, for collateral security purposes to aid in providing financing for the Generating Facility. 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 Transmission Provider and Transmission Owner of the date and particulars of any such exercise of assignment right(s), including providing the Transmission Provider with proof that it meets the requirements of Articles 11.7 and 18.3. 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. 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 Interconnection Customer (or any third party, but only if such third party is not acting at the direction of Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Negotiated Option (Article 5.1.3), 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, 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 any of the Parties to another 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.

If requested by any Party, a Party shall provide in writing, the basis for asserting that the information referred to in this Article 22 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, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

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 third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this GIA; or (6) is required, in accordance with Article 22.1.7 of the 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 other 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, consultants, or to parties who may be or 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 each Party discloses another other Party. The disclosure by any Party to another 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 Governmental Authority or entity with the right, power, and apparent authority to do so requests or requires a Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of 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 other Party) or return

to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.

22.1.9 Remedies. This Section 22.1.9 shall not apply to the Transmission Owner. 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 other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this 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 C.F.R. Section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to 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 C.F.R. Section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying another Party to this GIA prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Parties to the 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 C.F.R. Section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, if consistent with the applicable Federal and state laws, rules and regulations.

22.1.11 Subject to the exception in Article 22.1.10, any information that a Party claims is competitively sensitive, commercial or financial information under this GIA ("Confidential Information") shall not be disclosed by another Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this GIA or as a transmission service provider or a Control

Area operator including disclosing the Confidential Information to an RTO or ISO or to a regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

- 22.1.12** This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a Breach of this provision).

Article 23. Environmental Releases

- 23.1** Each Party shall notify the other Party, 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 the other 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 Party copies of any publicly available reports filed with any Governmental Authorities addressing such events.
- 23.2** Each Party shall remedy as soon as practicable all releases of Hazardous Substances brought to, or created at, real property it owns underlying the Generating Facility or Interconnection Facilities, and any such substances migrating from real property it owns at the Generating Facility site. The Party that caused the release shall bear the costs of the remedial action, which shall meet applicable Federal and state environmental standards at the time of the action. Such costs may include, but are not limited to, Federal and state supervision, remedial action plans, removal and remedial actions, and negotiation of voluntary and judicial agreements required to meet such environmental standards.
- 23.3** The Parties agree to comply fully with the substantive requirements of all applicable Federal, state and local environmental laws in the performance of their obligations hereunder, and to mitigate and abate adverse environmental impacts accordingly.

Article 24. Information Requirements

- 24.1 Information Acquisition.** Transmission Provider and 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.** The initial information submission by Transmission Provider shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Transmission System information necessary to allow Interconnection Customer to select equipment and meet any system protection and stability requirements, unless otherwise agreed to by the Parties. On a monthly basis Transmission Provider shall provide Interconnection Customer a status report on the construction and installation of Transmission Provider's Interconnection Facilities 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.

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 the other Parties are 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.** Each 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 the Parties 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 another Party, to audit at its own expense that other Party's accounts and records pertaining to either Party's performance or either Party's satisfaction of obligations under this GIA. Such audit rights shall include audits of the other Party's costs, calculation of invoiced amounts, Transmission Provider's efforts to allocate responsibility for the provision of reactive support to the Transmission System, Transmission Provider's efforts to allocate responsibility for interruption or reduction of generation on the Transmission System, 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, 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 any 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 other Party 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 Parties 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 Parties 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 Transmission Owner be liable for the actions or inactions of Interconnection Customer or its subcontractors with respect to obligations of 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, the Parties agree to resolve such dispute using 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 Federal laws or 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. Joint Operating Committee

29.1 Joint Operating Committee. At least six (6) months prior to the expected Initial Synchronization Date, Interconnection Customer, Transmission Owner and Transmission Provider shall each appoint one representative and one alternate to the Joint Operating Committee. Each Party shall notify the other Parties of its appointment in writing. Such appointments may be changed at any time by similar notice. The Joint Operating Committee shall meet as necessary, but not less than once each calendar year, to carry out

the duties set forth herein. The Joint Operating Committee shall hold a meeting at the request of any Party, at a time and place agreed upon by the representatives. The Joint Operating Committee shall perform all of its duties consistent with the provisions of this GIA. All Parties shall cooperate in providing to the Joint Operating Committee all information required in the performance of the Joint Operating Committee's duties. All decisions and agreements, if any, made by the Joint Operating Committee, shall be evidenced in writing. The duties of the Joint Operating Committee shall include the following:

- 29.1.1** Establish data requirements and operating record requirements.
- 29.1.2** Review the requirements, standards, and procedures for data acquisition equipment, protective equipment, and any other equipment or software.
- 29.1.3** Annually review the one (1) year forecast of maintenance and planned outage schedules of Transmission Owner's and Interconnection Customer's facilities at the Point of Interconnection.
- 29.1.4** Coordinate the scheduling of maintenance and planned outages on the Interconnection Facilities, the Generating Facility and other facilities that impact the normal operation of the interconnection of the Generating Facility to the Transmission System.
- 29.1.5** Ensure that information is being provided by each Party regarding equipment availability.
- 29.1.6** Perform such other duties as may be conferred upon it by mutual agreement of the Parties.

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.
- 30.2 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, and also incorporating through reference Section 39.3 of the Tariff as if it were a part hereof, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this GIA. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, a 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 a 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 Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from 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 three 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 each 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 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 by another Party 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 the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.

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

SOUTHWEST POWER POOL, INC.

By: _____

Title: _____

Date: _____

[Insert name of Transmission Owner]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

APPENDIX A TO GIA

Interconnection Facilities, Network Upgrades and Distribution Upgrades

1. Interconnection Facilities:

(a) [insert Interconnection Customer's Interconnection Facilities]:

(b) [insert Transmission Provider's Interconnection Facilities]:

2. Network Upgrades:

(a) [insert Stand Alone Network Upgrades]:

(b) [insert Shared Network Upgrades]:

(c) [insert Previous Network Upgrades]:

3. Distribution Upgrades:

4. Interconnection Service:

Interconnection Customer has requested the following (from Appendix 1 of the GIP):

____ **Energy Resource Interconnection Service**
____ **Network Resource Interconnection Service**

5. Construction Option Selected by Customer

6. Permits, Licenses, and Authorizations

7 Description of the Point of Change of Ownership

8. Description of the Point of Interconnection

9. Higher-Queued Interconnection Customers

10. Environmental Requirements

This GIA is subject to completion of the appropriate National Environmental Policy Act (NEPA) level of Environmental Review. **Until a NEPA decision document is issued, no construction activities relating to Transmission Owner's Interconnection Facilities and/or Network Upgrades may commence.**

(a) [Insert Environmental Requirements for an Environmental Impact Statement (EIS) level of Environmental Review]

(b) [Insert Environmental Requirements for an Environmental Assessment (EA) level of Environmental Review]

APPENDIX B TO GIA

Milestones

APPENDIX C TO GIA

Interconnection Details

1. Description of Generating Facility:

Wind Generating Facility Output Reduction

To protect the reliability of the Transmission System, a Generating Facility that is a wind plant shall be capable of reducing its generation output in increments of no more than fifty (50) MW in five (5) minute intervals. The requirements may be met by using: (a) SCADA control of circuit breakers protecting wind farm collector distribution circuits, (b) automatic control of wind turbine power output, or (c) a combination of (a) and (b).

APPENDIX D TO GIA

Security Arrangements Details

Infrastructure security of Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day Transmission System reliability and operational security. FERC will expect all Transmission Providers, market participants, and Interconnection Customers interconnected to the Transmission System to comply with the recommendations offered by the National Infrastructure Advisory Council and, eventually, 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]

_____,
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

[Transmission Owner Address]

Re: _____ Generating Facility

Dear _____:

On **[Date]** **[Interconnection Customer]** has completed Trial Operation of Unit No. ____.
This letter confirms that **[Interconnection Customer]** commenced Commercial Operation of Unit
No. ____ at the Generating Facility, effective as of **[Date plus one day]**.

Thank you.

[Signature]

[Interconnection Customer Representative]

APPENDIX F TO GIA

ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS

Notices:

Transmission Provider:

_____, _____
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Billings and Payments: [Specify addresses for construction invoices, O&M invoices and settlement of ancillary services]

Transmission Provider:

_____, _____
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

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

Transmission Provider:

_____, _____
Southwest Power Pool, Inc.
201 Worthen Drive

Little Rock, AR 72223-4936

Phone: _____

Facsimile: 501-482-2022

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Operational Communications: [Identify contacts for operations]

Transmission Provider:

_____, _____
Southwest Power Pool, Inc.

201 Worthen Drive

Little Rock, AR 72223-4936

Phone: _____

Facsimile: 501-482-2022

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

APPENDIX G TO GIA

REQUIREMENTS OF GENERATORS RELYING ON NEWER TECHNOLOGIES

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. the 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 Transmission System 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 Transmission System 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 power factor within the range of 0.95 leading to 0.95 lagging, 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.

APPENDIX 14 TO THE GENERATOR INTERCONNECTION PROCEDURES
INTERIM GENERATOR INTERCONNECTION AGREEMENT (INTERIM GIA)

(For use when Western-UGP is a Party to the Interim GIA, as the Transmission Owner)

TABLE OF CONTENTS

Recitals

Article 1. Definitions

Article 2. Effective Date, Term, and Termination

2.1 Effective Date

2.2 Term of Agreement

2.3 Termination Procedures

2.3.1 Termination Events

2.3.2 Default

2.4 Termination Costs

2.5 Disconnection or Limitation of Output

2.6 Survival

Article 3. Regulatory Filings

3.1 Filing

Article 4. Scope of Service

4.1 Interim Interconnection Product Options

4.1.1 Energy Resource Interim Interconnection Service

4.1.1.1 The Product

4.1.1.2 Transmission Delivery Service Implications

4.1.2 Network Resource Interim Interconnection Service

4.1.2.1 The Product

4.1.2.2 Transmission Delivery Service Implications

4.2 Provision of Service

4.2.1.1 Pre-Commercial Operation Testing

4.2.1.2 Interim Interconnection Service

4.3 Performance Standards

4.4 No Transmission Delivery Service

4.5 Interconnection Customer Provided Services

Article 5. Interconnection Facilities Engineering, Procurement, and Construction

5.1 Options

5.1.1 Standard Option

5.1.2 Option to Build

5.1.3 Negotiated Option

5.2 General Conditions Applicable to Option to Build

5.3 Reserved

5.4 Power System Stabilizers

5.5 Equipment Procurement

5.6 Construction Commencement

5.7 Work Progress

5.8 Information Exchange

5.9 Reserved

5.10 Interconnection Customer's Interconnection Facilities ('ICIF')

5.10.1 Interconnection Customer's Interconnection Facility Specifications

5.10.2 Transmission Owner's Review

5.10.3 ICIF Construction

5.10.4 Updated Information Submission by Interconnection Customer

5.10.5 Information Supplementation

5.11 Transmission Owner's Interconnection Facilities Construction

5.12 Access Rights

5.13 Lands of Other Property Owners

5.14 Permits

5.15 Early Construction of Base Case Facilities

5.16 Reserved

5.17 Reserved

5.18 Tax Status

5.19 Modification

5.19.1 General

5.19.2 Standards

5.19.3 Modification Costs

5.20 Delays

Article 6. Testing and Inspection

6.1 Pre-Commercial Operation Date Testing and Modifications

6.2 Post-Commercial Operation Date Testing and Modifications

6.3 Right to Observe Testing

6.4 Right to Inspect

Article 7. Metering

7.1 General

7.2 Check Meters

7.3 Standards

7.4 Testing of Metering Equipment

7.5 Metering Data

Article 8. Communications

8.1 Interconnection Customer Obligations

8.2 Remote Terminal Unit

8.3 No Annexation

Article 9. Operations

9.1 General

9.2 Control Area Notification

9.3 Transmission Provider and Transmission Owner Obligations

9.4 Interconnection Customer Obligations

9.5 Start-Up and Synchronization

9.6 Reactive Power

9.6.1 Power Factor Design Criteria

9.6.2 Voltage Schedules

9.6.2.1 Governors and Regulators

9.6.3 Payment for Reactive Power

9.7 Outages and Interruptions

9.7.1 Outages

9.7.1.1 Outage Authority and Coordination

9.7.1.2 Outage Schedules

9.7.1.3 Outage Restoration

9.7.2 Interruption of Service

9.7.3 Under-Frequency and Over Frequency Conditions

9.7.4 System Protection and Other Control Requirements

9.7.4.1 System Protection Facilities

9.7.5 Requirements for Protection

9.7.6 Power Quality

9.8 Switching and Tagging Rules

9.9 Use of Interconnection Facilities by Third Parties

9.9.1 Purpose of Interconnection Facilities

9.9.2 Third Party Users

9.10 Disturbance Analysis Data Exchange

Article 10. Maintenance

10.1 Transmission Owner Obligations

10.2 Interconnection Customer Obligations

10.3 Coordination

10.4 Secondary Systems

10.5 Operating and Maintenance Expenses

Article 11. Performance Obligation

11.1 Interconnection Customer Interconnection Facilities

11.2 Reserved

11.3 Transmission Owner's Interconnection Facilities

- 11.4 Network Upgrades and Distribution Upgrades
- 11.5 Transmission Credits
 - 11.5.1 Credits for Amounts Advanced for Network Upgrades
 - 11.5.2 Special Provisions for Affected Systems
- 11.6 Initial Payment
- 11.7 Provision of Security
 - 11.7.1 Initial Security
 - 11.7.2 Security Adjustment
- 11.8 Advance Payment
- 11.9 Interconnection Customer Compensation
 - 11.9.1 Interconnection Customer Compensation for Actions During
Emergency Condition
- Article 12. Invoice
 - 12.1 General
 - 12.2 Final Invoice
 - 12.3 Payment
 - 12.4 Disputes
- Article 13. Emergencies
 - 13.1 Definition
 - 13.2 Obligations
 - 13.3 Notice
 - 13.4 Immediate Action
 - 13.5 Transmission Provider and Transmission Owner Authority
 - 13.5.1 General
 - 13.5.2 Reduction and Disconnection
 - 13.6 Interconnection Customer Authority
 - 13.7 Limited Liability
- Article 14. Regulatory Requirements and Governing Law
 - 14.1 Regulatory Requirements

14.2	Governing Law
Article 15.	Notices
15.1	General
15.2	Billings and Payments
15.3	Alternative Forms of Notice
15.4	Operations and Maintenance Notice
Article 16.	Force Majeure
Article 17.	Default
17.1	Default
17.1.1	General
17.1.2	Right to Terminate
Article 18.	Indemnity, Consequential Damages and Insurance
18.1	Indemnity
18.1.1	Indemnified Person
18.1.2	Indemnifying Party
18.1.3	Indemnity Procedures
18.2	Consequential Damages
18.3	Interconnection Customer Insurance
18.4	Transmission Owner Insurance
Article 19.	Assignment
Article 20.	Severability
Article 21.	Comparability
Article 22.	Confidentiality
22.1	Confidentiality
22.1.1	Term
22.1.2	Scope
22.1.3	Release of Confidential Information
22.1.4	Rights

22.1.5 No Warranties

22.1.6 Standard of Care

22.1.7 Order of Disclosure

22.1.8 Termination of Agreement

22.1.9 Remedies

22.1.10 Disclosure to FERC, its Staff, or a State

Article 23. Environmental Releases

Article 24. Information Requirements

24.1 Information Acquisition

24.2 Information Submission by Transmission Provider

Article 25. Information Access and Audit Rights

25.1 Information Access

25.2 Reporting of Non-Force Majeure Events

25.3 Audit Rights

25.4 Audit Rights Periods

25.4.1 Audit Rights Period for Construction-Related Accounts and Records

25.4.2 Audit Rights Period for All Other Accounts and Records

25.5 Audit Results

Article 26. Subcontractors

26.1 General

26.2 Responsibility of Principal

26.3 No Limitation by Insurance

Article 27. Disputes

27.1 Submission

Article 28. Representations, Warranties, and Covenants

28.1 General

28.1.1 Good Standing

28.1.2 Authority

28.1.3 No Conflict

28.1.4 Consent and Approval

Article 29. Joint Operating Committee

Article 30. Miscellaneous

30.1 Binding Effect

30.2 Conflicts

30.3 Rules of Interpretation

30.4 Entire Agreement

30.5 No Third Party Beneficiaries

30.6 Waiver

30.7 Headings

30.8 Multiple Counterparts

30.9 Amendment

30.10 Modification by the Parties

30.11 Reservation of Rights

30.12 No Partnership

Appendix A - Interconnection Facilities, Network Upgrades and Distribution Upgrades, Security, Type and Amount of Interconnection Service, Construction Option, and Higher Queued Project List

Appendix B – Milestones

Appendix C – Interconnection Details

Appendix D – Infrastructure and Operational Security Arrangements

Appendix E – Commercial Operation Date

Appendix F – Addresses for Delivery of Notices and Billings

Appendix G – Requirements of Generators Relying on Newer Technologies

INTERIM GENERATOR INTERCONNECTION AGREEMENT

THIS INTERIM GENERATOR INTERCONNECTION AGREEMENT

("Agreement" or "Interim GIA") is made and entered into this ____ day of _____, by and among _____, a _____ organized and existing under the laws of the State/Commonwealth of _____ ("Interconnection Customer" with a Generating Facility), Southwest Power Pool, Inc., a corporation organized and existing under the laws of the State of Arkansas ("Transmission Provider") and Western Area Power Administration- Upper Great Plains Region ("Western-UGP"), a Federal power marketing agency organized under the United States Department of Energy ("Transmission Owner"). Interconnection Customer, Transmission Provider and Transmission Owner each may be referred to as a "Party" or collectively as the "Parties."

Recitals

WHEREAS, Transmission Provider functionally controls the operation of 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 C to this Agreement; and,

WHEREAS, Transmission Owner owns facilities to which the Generating Facility is to be interconnected and may be constructing facilities to allow the interconnection; and,

WHEREAS, Transmission Provider has posted on its website a Definitive Interconnection System Impact Study that included the Interconnection Customer's Generating Facility and has conducted an additional analysis to determine the availability of Interim Interconnection Service at the time of the Interconnection Customer's requested In-Service Date and Commercial Operation Date with the Transmission System topology and in-service generation expected to be in place at that time; and,

WHEREAS, Interconnection Customer, in accordance with Section 11A.2.1 of the Generator Interconnection Procedures ("GIP"), has provided Transmission Provider with reasonable evidence of Site Control or additional security and with reasonable evidence that one or more of the milestones listed in Section 11A.2.1 has been achieved; and

WHEREAS, Interconnection Customer, Transmission Provider and Transmission Owner have agreed to enter into this Agreement for the purpose of interconnecting the Generating Facility with the Transmission System on an interim basis prior to the completion of the generator interconnection study process set forth in the GIP and execution of a Generator Interconnection Agreement;

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

When used in this Interim 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 or the Open Access Transmission Tariff (“Tariff”).

Article 1. Definitions

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 system other than the Transmission System that may be affected by the proposed interconnection.

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.

Applicable Reliability Council shall mean the reliability council applicable to the Transmission System to which the Generating Facility is directly interconnected.

Applicable Reliability Standards shall mean the requirements and guidelines of NERC, the Applicable Reliability Council, and the Control Area of the Transmission System to which the Generating Facility is directly interconnected.

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

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Interim Generator Interconnection Agreement.

Breaching Party shall mean a Party that is in Breach of the Interim Generator Interconnection Agreement.

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

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

Clustering shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting Interconnection Studies.

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 the Interim Generator Interconnection Agreement.

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

Control Area shall mean an electrical system or systems bounded by interconnection metering and telemetry, capable of controlling generation to maintain its interchange schedule with other Control Areas and contributing to frequency regulation of the interconnection. A Control Area must be certified by the Applicable Reliability Council.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Interim Generator Interconnection Agreement.

Definitive 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 a Preliminary Interconnection System Impact Study or that may be caused by the withdrawal or addition of an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Definitive Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3A of the Generator Interconnection Procedures for conducting the Definitive Interconnection System Impact Study.

Definitive Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Definitive Interconnection System Impact Study.

Dispute Resolution shall mean the procedure in Section 12 of the Tariff for resolution of a dispute between 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 that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.

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 transmission 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 the Interim Generator Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of Transmission Provider, 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 or the electric systems of others to which the Transmission System is directly connected; or (3) that, in the case of 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 Transmission Owner's Interconnection Facilities; or (4) 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 black start shall be considered Emergency Conditions; provided, that Interconnection Customer is not obligated by Interim Generator Interconnection Agreement to possess black start capability.

Energy Resource Interim Interconnection Service shall mean an Interim Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself 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.

Environmental Review shall mean a study conducted by the Transmission Owner that contains a review of the proposed interconnection to the Transmission Owner's transmission facilities, pursuant to the National Environmental Policy Act (NEPA), 42 U.S.C. §4321, et seq., as amended, and setting forth Interconnection Customer's responsibilities in connection with such review of the interconnection.

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 (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 acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Interconnection Customer's device 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 applicable to an Interconnection Request pertaining to a Generating Facility that is included in the Transmission Provider's Tariff.

Generator Interconnection Procedures (GIP) shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Generating Facility that are included in the Transmission Provider's Tariff.

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.

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.

Higher Queued Projects shall mean those projects specifically identified as "Higher Queued Projects" in Appendix A.

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 back feed power.

Interconnection Customer shall mean any entity, including the 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 the Interim Generator Interconnection Agreement, 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. 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 are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

Interconnection Facilities Study shall mean a study conducted by the Transmission Provider or a third party consultant for the Interconnection Customer to determine a list of facilities (including Transmission Owner's Interconnection Facilities and Network Upgrades as identified in the Definitive Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission System. The scope of the study is defined in Section 8 of the Generator Interconnection Procedures.

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 Facilities Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Facilities Study.

Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Generating Facility to the Transmission System, the scope of which is described in Section 6 of the Generator Interconnection Procedures.

Interconnection Feasibility Study Agreement shall mean the form of agreement contained in Appendix 2 of the Generator Interconnection Procedures for conducting the Interconnection Feasibility Study.

Interconnection Feasibility Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Feasibility Study.

Interconnection Queue Position shall mean the order of a valid Interconnection Request within the Interconnection Facilities Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Facilities Study Queue, which is established based upon the requirements in Section 4.1.3 of the Generator Interconnection Procedures.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Generator Interconnection Procedures, in accordance with the Tariff, 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 Interconnection Customer's Generating Facility to the Transmission Provider's 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 the Generator Interconnection Agreement and, if applicable, the Tariff.

Interconnection Study shall mean any of the following studies: the Interconnection Feasibility Study, the Preliminary Interconnection System Impact Study, the Definitive Interconnection System Impact Study, the Interim Availability Interconnection System Impact Study, and the Interconnection Facilities Study described in the Generator Interconnection Procedures.

Interconnection Study Agreement shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Preliminary Interconnection System Impact Study Agreement, the Definitive Interconnection System Impact Study Agreement, the Interim Availability Interconnection System Impact Study Agreement, and the Interconnection Facilities Study Agreement described in the Generator Interconnection Procedures.

Interim Availability Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of the Transmission System and, if applicable, an Affected System for the purpose of providing Interim Interconnection Service. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications on an interim basis.

Interim Availability Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 5 of the Generator Interconnection Procedures for conducting the Interim Availability Interconnection System Impact Study.

Interim Generator Interconnection Agreement (Interim GIA) shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Generating Facility to allow interconnection to the Transmission System prior to the completion of the Interconnection Study process.

Interim Interconnection Service shall mean the service provided by the Transmission Provider associated with interconnecting the Interconnection Customer's Generating Facility to the Transmission Provider's 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 the Interim Generator Interconnection Agreement and, if applicable, the Tariff.

IRS shall mean the Internal Revenue Service.

Joint Operating Committee shall be a group made up of representatives from Interconnection Customer, Transmission Owner and the Transmission Provider to coordinate operating and technical considerations of Interconnection Service.

Loss shall mean any and all losses 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 another Party's performance, or non-performance of its obligations under the Interim Generator Interconnection Agreement, on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying 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 the Interim Generator Interconnection Agreement, 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 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 Interim Interconnection Service shall mean an Interim Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with the Transmission System in a manner comparable to that in which the Transmission Owner integrates its generating facilities to serve Native Load Customers as a Network Resource. Network Resource Interim Interconnection Service in and of itself 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 to accommodate the interconnection of the Generating Facility to the Transmission System.

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with the Interim Generator Interconnection Agreement, or its performance.

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 Interim 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 to the Interim Generator Interconnection Agreement, where the Interconnection Facilities connect to the Transmission System.

Preliminary 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 an Interconnection Feasibility Study or that may be caused by an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Preliminary Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3 of the Generator Interconnection Procedures for conducting the Preliminary Interconnection System Impact Study.

Preliminary Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Preliminary Interconnection System Impact Study.

Previous Network Upgrade shall mean a Network Upgrade that is needed for the interconnection of one or more Interconnection Customers' Generating Facilities, but is not the cost responsibility of the Interconnection Customer, subject to restudy, and which is identified in Appendix A of the Generator Interconnection Agreement.

Queue shall mean the Interconnection Feasibility Study Queue, the Preliminary Interconnection System Impact Study Queue, the Definitive Interconnection System Impact Study Queue, or the Interconnection Facilities Study Queue, as applicable.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Interim Generator Interconnection Agreement efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer, Transmission Owner 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 listed in Appendix A of the Generator Interconnection Agreement that is needed for the interconnection of multiple Interconnection Customers' Generating Facilities and which is the shared funding responsibility of such Interconnection Customers that may also benefit 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 of sufficient size for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size 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 of sufficient size for such purpose.

Small Generating Facility shall mean a Generating Facility that has an aggregate net Generating Facility Capacity of no more than 2 MW.

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 the Interim Generator Interconnection Agreement.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the Transmission System 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 FERC, and as amended or supplemented from time to time, or any successor tariff.

Transmission Owner shall mean an entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of Interconnection and may be a Party to the Interim Generator Interconnection Agreement to the extent necessary.

Transmission Provider shall mean the public utility (or its Designated Agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the Tariff. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from the Transmission Provider.

Transmission Owner's Interconnection Facilities shall mean all facilities and equipment owned, controlled or operated by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Interim Generator Interconnection Agreement, 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 Stand Alone Network Upgrades or Network Upgrades.

Transmission System shall mean the facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide transmission 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.

Western Area Power Administration-Upper Great Plains Region ("Western-UGP") shall mean a division of the Western Area Power Administration, a Federal power marketing agency, and Transmission Owner, that markets and transmits Federal power over Federal transmission facilities that have been transferred to the functional control of the Transmission Provider.

Article 2. Effective Date, Term, and Termination

2.1 Effective Date. This Interim 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 Interim GIA with FERC upon execution in accordance with Article 3.1, if required.

2.2 Term of Agreement. This Interim GIA shall remain in effect from its Effective Date until the earliest occurrence of one of the termination events described in Article 2.3.1. Notwithstanding this Article 2.2 or 2.3, the maximum effective period of this Interim GIA shall be two (2) years from the Effective Date.

2.3 Termination Procedures.

2.3.1 Termination Events.

2.3.1.1 This Interim GIA may be terminated by Interconnection Customer after giving Transmission Provider and Transmission Owner ninety (90) Calendar Days advance written notice, or by Transmission Provider notifying FERC after the Generating Facility permanently ceases Commercial Operation.

2.3.1.2 This Interim GIA shall terminate upon occurrence of one or more of the following events:

(a) The Effective Date of a GIA regarding the Generating Facility that is the subject of this Interim GIA that has been accepted by FERC and/or reported in Transmission Provider's Electric Quarterly Report;

(b) The date of a FERC order rejecting an unexecuted GIA regarding the Generating Facility that is the subject of this Interim GIA;

(c) The date the Interconnection Customer's Interconnection Request is deemed withdrawn pursuant to the GIP;

(d) The Interconnection Customer's failure to pay part or all of the required security pursuant to Article 11.7; or

(e) The Transmission Provider's determination in accordance with Article 4.2.2, that Interim Interconnection Service to Interconnection Customer and the amount of power that Interconnection Customer is permitted to inject into the Transmission System from its Generating Facility pursuant to this Interim GIA is reduced to zero.

2.3.2 Default. Any Party may terminate this Interim GIA in accordance with Article 17.

2.3.3 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 Interim GIA, which notice has been accepted for filing by FERC.

- 2.3.4** Upon termination of this Interim GIA for any reason, Interim Interconnection Service under this Interim GIA shall cease and the provisions of Section 11A.5 of the GIP shall apply.

2.4 Termination Costs.

- 2.4.1** If this Interim GIA is terminated pursuant to Article 2.3.1.2(a), the cost responsibilities of Interconnection Customer and Transmission Owner pursuant to this Interim GIA will be included in the GIA regarding the Generating Facility that is the subject of this Interim GIA to the extent not satisfied during the term of this Interim GIA.

- 2.4.2** If this Interim GIA is terminated pursuant to Article 2.3 for any reason except as specified 2.3.1.2(a), Interconnection Customer and Transmission Owner shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment), and charges assessed by any other Party, as of the date of such Party's receipt of such notice of termination, that are the responsibility of the Terminating Party under this Interim GIA. In the event of termination by any Party, all Parties shall use Commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this Interim GIA:

- 2.4.2.1** With respect to any portion of Transmission Owner's Interconnection Facilities that have not yet been constructed or installed, Transmission Owner shall to the extent possible and with Interconnection Customer's authorization 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 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 Transmission Owner to cancel any pending orders of or return such materials, equipment, or contracts.

If this Interim GIA is terminated pursuant to Article 2.3 for any reason except as specified in Article 2.3.1.2(a) Interconnection Customer shall be responsible for all costs incurred in association with the Interconnection Customer's interconnection, including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment, and other expenses including any Network Upgrades for which Transmission Owner has incurred expenses and has not been reimbursed by Interconnection

Customer and shall forfeit the security paid pursuant to Article 11.5 of this Interim GIA up to the total of the costs and expenses listed in this paragraph.

2.4.2.2 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.

2.4.2.3 With respect to any portion of the Interconnection Facilities, and any other facilities already installed or constructed pursuant to the terms of this Interim GIA, Interconnection Customer shall be responsible for all costs associated with the removal, relocation or other disposition or retirement of such materials, equipment, or facilities.

2.5 Disconnection or Limitation of Output. If this Interim GIA is terminated pursuant to Article 2.3 and disconnection or limitation in generation output is required, then the Parties will take all appropriate steps to either disconnect the Generating Facility from the Transmission System or limit the amount of generation output that can be injected into the transmission system pursuant to Section 4.2.2, whichever is applicable. All costs required to effectuate such disconnection or limitation shall be borne by Interconnection Customer, unless such termination resulted from another Party's Default of this Interim GIA, which in such event the defaulting Party shall be responsible for such disconnection costs.

2.6 Survival. Except as provided in this Article 2.6, this Interim 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 Interim GIA; to permit payments for any credits under this Interim GIA; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Interim GIA was in effect; and to permit each Party to have access to the lands of another Party pursuant to this Interim GIA or other applicable agreements, to disconnect, remove or salvage its own facilities and equipment.

Article 3. Regulatory Filings

3.1 Filing. Transmission Provider shall file this Interim GIA (and any amendment hereto) with the appropriate Governmental Authority, if required. Interconnection Customer may request that any information so provided be subject to the confidentiality provisions of Article 22. If Interconnection Customer has executed this Interim GIA, or any amendment thereto, Interconnection Customer 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 Interim Interconnection Product Options. Interconnection Customer has selected the following (checked) type of Interim Interconnection Service:

4.1.1 Energy Resource Interim Interconnection Service.

4.1.1.1 The Product. Energy Resource Interim Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Transmission System 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 Energy Resource Interim Interconnection Service for the term of this Interim GIA, unless otherwise specified in Appendix A, Transmission Owner shall construct the facilities listed in Appendix A to this Interim GIA.

4.1.1.2 Transmission Delivery Service Implications. Under Energy Resource Interim Interconnection Service, 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. 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 System 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 Upgrades.

4.1.2 Network Resource Interim Interconnection Service.

4.1.2.1 The Product. Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Generating Facility in a manner comparable to that in which Transmission Owner integrates its generating facilities to serve Native Load Customers as all Network Resources. To the extent Interconnection Customer wants to receive Network Resource Interim Interconnection Service for the term of this Interim GIA, Transmission Owner shall construct the facilities identified in Appendix A to this Interim GIA.

4.1.2.2 Transmission Delivery Service Implications. Network Resource Interim Interconnection Service allows Interconnection Customer's 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 interconnected to the Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur. Although Network Resource Interim Interconnection Service does not convey a reservation of transmission service, any Network Customer under the Tariff can utilize its network service under the Tariff to obtain

delivery of energy from the interconnected Interconnection Customer's Generating Facility in the same manner as it accesses Network Resources. A Generating Facility receiving Network Resource Interim 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 an Interconnection Customer's Generating Facility has not been designated as a Network Resource by any load, 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.

Network Resource Interim Interconnection Service does not necessarily provide 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 constraints on the Transmission System, Interconnection Customer's Generating Facility shall be subject to the applicable congestion management procedures in Transmission Provider's Transmission System in the same manner as Network Resources.

The Network Resource Interim Interconnection Service studies are done in accordance with the process set out in Attachment Z1 of the Tariff. To the extent a Network Customer does designate the Generating Facility as a Network Resource, it must do so pursuant to Transmission Provider's Tariff.

Once an Interconnection Customer satisfies the requirements for obtaining Network Resource Interim 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 or not such Generating Facility is ever designated by a Network Customer as a Network Resource and regardless of changes in ownership of the Generating Facility. However, the reduction or elimination of congestion or redispatch costs may require additional studies and the construction of additional upgrades.

To the extent 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 Transmission Provider to grant such request.

4.2 Provision of Service. Transmission Provider shall provide Interim Interconnection Service for the Generating Facility at the Point of Interconnection as specified below.

4.2.1 The provision of Interim Interconnection Service and pre-commercial operation testing pursuant to this Interim GIA are contingent upon the Interconnection Facilities, Network Upgrades, Distribution Upgrades, and other necessary facilities listed in the applicable section of Appendix A to this Interim GIA being completed and in service. In no event shall pre-commercial operation testing or Interim Interconnection Service be permitted until the Interconnection Facilities, Network Upgrades, Distribution Upgrades and any other necessary facilities listed in applicable section of Appendix A to this Interim GIA are complete and in service.

4.2.1.1 Pre-Commercial Operation Testing. Interconnection Customer shall be able to sync its Generating Facility and its Interconnection Customer's Interconnection Facilities to the Transmission System for the purpose of testing pursuant to Article 6.1, once the applicable facilities described in Appendix A are complete and in service.

4.2.1.2 Interim Interconnection Service. Interconnection Customer shall be able to sync its Generating Facility and its Interconnection Customer's Interconnection Facilities to the Transmission System for the purpose of receiving Interim Interconnection Service and operating its Generating Facility up to the maximum amount for this Interim GIA, as specified in Appendix A on an "as available" basis once the applicable facilities in Appendix A are in service.

4.2.2 Interim Interconnection Service and the amount of power that Interconnection Customer is permitted to inject into the Transmission System from its Generating Facility pursuant to this Interim GIA may be reduced in whole or in part in the event that:

(a) one or more Interconnection Customer(s) with a Higher Queued Project (as specified in Appendix A): (i) has executed or subsequently executes an Interim GIA or a GIA that has been accepted by the FERC and/or reported in Transmission Provider's Electric Quarterly Report, or has an unexecuted Interim GIA or GIA filed with and accepted by the FERC for that Higher Queued Project and (ii) begins Commercial Operation of the Higher Queued Project during the term of this Interim GIA; and

(b) Transmission Provider at its sole discretion determines that Interim Interconnection Service and/or Interconnection Service cannot be provided simultaneously under this Interim GIA and to such other Interconnection Customer(s) under its Interim GIA(s) or final GIA(s) in an amount commensurate with the maximum amount specified in the respective agreements without additional Interconnection Facilities, Network Upgrades, or Distribution Upgrades.

4.2.3 Any such reduction pursuant to Article 4.2.2 will be based on the Queue Position priority of the Interconnection Customer's Interconnection Request relative to the Queue Position priority of the Higher Queued Projects.

4.3 Performance Standards. Each Party shall perform all of its obligations under this Interim GIA in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice, and to the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this Interim GIA for its compliance therewith. If such Party is a Transmission Provider or Transmission Owner, then that Party shall amend the Interim GIA and Transmission Provider shall submit the amendment to FERC for approval.

4.4 No Transmission Delivery Service. The execution of this Interim GIA does not constitute a request for, nor the provision of, any transmission delivery service under Transmission Provider's 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 Interim GIA are set forth in Article 9.6 and Article 13.5.1. Interconnection Customer shall be paid for such services in accordance with Article 11.9.

Article 5. Interconnection Facilities Engineering, Procurement, and Construction

5.1 Options. Unless otherwise mutually agreed to between the Parties, Interconnection Customer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date; and either the Option To Build as described under Article 5.1.2 or the Negotiated Option described under Article 5.1.3 if the Interconnection Customer and the Transmission Owner cannot reach agreement under the Standard Option described under Article 5.1.1, for completion of Transmission Owner's Interconnection Facilities and Network Upgrades as set forth in Appendix A, Interconnection Facilities and Network Upgrades, and such dates and selected option, as applicable, shall be set forth in Appendix B, Milestones.

5.1.1 Standard Option. Transmission Owner shall design, procure, and construct Transmission Owner's Interconnection Facilities and Network Upgrades, using Reasonable Efforts to complete Transmission Owner's Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B, Milestones. 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, and Applicable Laws and Regulations. In the event Transmission Owner reasonably expects that it will not be able to complete Transmission Owner's Interconnection Facilities, and Network Upgrades by the specified dates, Transmission Owner shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Option to Build. If the dates designated by Interconnection Customer are not acceptable to Transmission Owner, Transmission Owner shall so notify 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 on the dates specified in Article 5.1.1. Transmission Owner and Interconnection Customer 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.

5.1.3 Negotiated Option. If Interconnection Customer elects not to exercise its option under Article 5.1.2, 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, the provision of incentives or the procurement and construction of a portion of 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 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 Transmission Owner's Interconnection Facilities and Network Upgrades pursuant to Article 5.1.1, Standard Option.

5.2 General Conditions Applicable to Option to Build. If Interconnection Customer assumes responsibility for the design, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades,

- (1) Interconnection Customer shall engineer, procure equipment, and construct 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 Transmission Owner;
- (2) Interconnection Customer's engineering, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades shall comply with all requirements of law to which Transmission

Provider would be subject in the engineering, procurement or construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;

- (3) Transmission Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (4) Prior to commencement of construction, Interconnection Customer shall provide to Transmission Provider and Transmission Owner a schedule for construction of Transmission Provider'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 Owner shall have the right to gain unrestricted access to Transmission Owner'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 Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Transmission Owner, Interconnection Customer shall be obligated to remedy deficiencies in that portion of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (7) Interconnection Customer shall indemnify Transmission Provider and Transmission Owner for claims arising from 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 Transmission Provider;
- (9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Transmission Owner's Interconnection Facilities and Stand-Alone Network Upgrades to Transmission Owner not later than the Commercial Operation Date;
- (10) Transmission Owner shall approve and accept for operation and maintenance Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and
- (11) Interconnection Customer shall deliver to Transmission Owner "as-built" drawings, information, and any other documents that are reasonably required by Transmission Owner to assure that the Interconnection Facilities and Stand-

Alone Network Upgrades are built to the standards and specifications required by Transmission Provider.

5.3 Reserved.

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 reserves 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 not capable of automatic operation, Interconnection Customer shall immediately notify Transmission Owner's system operator, or its designated representative. The requirements of this paragraph shall not apply to wind generators.

5.5 Equipment Procurement. If responsibility for construction of Transmission Owner's Interconnection Facilities or Network Upgrades is to be borne by Transmission Owner, then Transmission Owner shall commence design of Transmission Owner's Interconnection Facilities or Network 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 Transmission Provider has completed the Interim Availability Interconnection System Impact Study;

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

5.5.3 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.7 and advance payment to Transmission Owner in accordance with Article 11.8 by the dates specified in Appendix B, Milestones; and

5.5.4 The Parties have executed this Interim GIA.

5.6 Construction Commencement. Transmission Owner shall commence construction of Transmission Owner's Interconnection Facilities and Network 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 Transmission Owner's Interconnection Facilities and Network Upgrades;

- 5.6.3** Transmission Owner has received written authorization to proceed with construction from Interconnection Customer by the date specified in Appendix B, Milestones; and
- 5.6.4** Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.7 and advance payment to Transmission Owner in accordance with Article 11.8.
- 5.7 Work Progress.** The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Parties may, at any time, request a progress report from other Parties. If, at any time, Interconnection Customer determines that the completion of Transmission Owner's Interconnection Facilities and Network Upgrades will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Transmission Provider and Transmission Owner of such later date upon which the completion of Transmission Owner's Interconnection Facilities and Network Upgrades will be required.
- 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 Parties' Interconnection Facilities and compatibility of the Interconnection Facilities with the Transmission System, and shall work diligently and in good faith to make any necessary design changes.
- 5.9 Reserved.**
- 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, Interconnection Facilities, Network Upgrades and Distribution Upgrades.
- 5.10.1 Interconnection Customer's Interconnection Facility Specifications.** Interconnection Customer shall submit initial specifications for the ICIF, including System Protection Facilities, to Transmission Owner at least one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date, and final specifications for review and comment at least ninety (90) Calendar Days prior to the Initial Synchronization Date. Transmission Owner shall review such specifications to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Transmission Owner and comment on such specifications within thirty (30) Calendar Days of Interconnection Customer's submission. All specifications provided hereunder shall be deemed confidential.
- 5.10.2 Transmission Owner's Review.** 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 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 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, Interconnection Customer shall deliver to 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 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 Owner specifications for the excitation system, automatic voltage regulator, Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.10.4 Updated Information Submission by Interconnection Customer. The updated information submission by the Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date. Interconnection Customer shall submit 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 and Interconnection Facilities Studies. 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 the Parties 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 Agreements 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 5.10.4. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

5.10.5 Information Supplementation. Prior to the Commercial Operation Date, or as soon as possible thereafter, the Parties shall supplement their information submissions described above in this Article 5 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 percent) 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 of 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 for each individual generating unit in a station.

Subsequent to the Commercial Operation Date, the Interconnection Customer shall provide Transmission Owner and Transmission Provider any information changes due to equipment replacement, repair, or adjustment. Transmission Owner shall provide the Interconnection Customer and Transmission Provider any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission Owner-owned 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.

- 5.11 Transmission Owner's Interconnection Facilities Construction.** Transmission Owner's Interconnection Facilities and Network Upgrades 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, Transmission Owner shall deliver to Interconnection Customer the following "as-built" drawings, information and documents for Transmission Owner's Interconnection Facilities and Network Upgrades [include appropriate drawings and relay diagrams].

Transmission Owner will obtain control of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades upon completion of such facilities.

- 5.12 Access Rights.** Upon reasonable notice and supervision by a Party, and subject to any required or necessary regulatory approvals, a Party ("Granting Party") shall furnish at no cost to any 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 Interim GIA pursuant to Article 2.5. 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 Transmission Owner's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Transmission Owner, 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, and to the extent consistent with Federal or state law, as applicable, 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 Transmission Owner's Interconnection Facilities and/or Network 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 Provider or Transmission Owner shall provide permitting assistance to Interconnection Customer comparable to that provided to Transmission Provider's own, or an Affiliate's generation.
- 5.15 Early Construction of Base Case Facilities.** 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 required for Interconnection Customer to be interconnected to the Transmission System which are included in the Base Case of the Facilities Study for Interconnection Customer, and which also are required to be constructed for another Interconnection Customer, but where such construction is not scheduled to be completed in time to achieve Interconnection Customer's In-Service Date.
- 5.16 Reserved.**
- 5.17 Reserved.**
- 5.18 Tax Status.** All Parties shall cooperate with each other to maintain their tax status. Nothing in this Interim 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. Each 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 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 Owner 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 System, Transmission Owner's Interconnection Facilities or Network Upgrades necessitated by such Interconnection Customer modification and a good faith estimate of the costs thereof.

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 Interim GIA and Good Utility Practice.

5.19.3 Modification Costs. Interconnection Customer shall not be directly assigned for the costs of any additions, modifications, or replacements that Transmission Owner makes to Transmission Owner's Interconnection Facilities or the Transmission System to facilitate the interconnection of a third party to Transmission Owner's Interconnection Facilities or the Transmission System, or to provide transmission service to a third party under Transmission Provider's Tariff. Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to 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.

5.20 Delays . If a Network Upgrade(s) identified in Appendix A is delayed during the construction process and the Commercial Operation Date for the Generating Facility identified in Appendix B is no longer feasible, the Commercial Operation Date in Appendix B may be modified to no later than six (6) months following the in-service date for the last Network Upgrade identified in Appendix A.

Article 6. Testing and Inspection

- 6.1 Pre-Commercial Operation Date Testing and Modifications.** Prior to the Commercial Operation Date, Transmission Owner shall test Transmission Owner's Interconnection Facilities and Network Upgrades and Interconnection Customer shall test the Generating Facility and Interconnection Customer's Interconnection Facilities to ensure their safe and reliable operation. Similar testing may be required after initial operation. Each Party shall make any modifications to its 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 System in a safe and reliable manner. Each Party shall have the right, upon advance written notice, to require reasonable additional testing of the other Party's 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 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 another Parties' tests and/or inspection of any of its System Protection Facilities and other protective equipment, including power system stabilizers; (ii) review the settings of the other Parties' System Protection Facilities and other protective equipment; and (iii) review another Parties' maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. Any 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 another 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 any 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 Interim 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 shall install Metering Equipment at the Point of Interconnection prior to any operation of the Generating Facility and shall own, operate, test and maintain such Metering Equipment. Power flows to and from the Generating Facility shall be measured at or, at Transmission Owner's option, compensated to, the Point of Interconnection. Transmission Owner shall provide metering quantities, in analog and/or digital form, to Interconnection Customer and Transmission Provider on a same-time basis using communication as provided in

Article 8. 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 Transmission Owner's meters. Such check meters shall be for check purposes only and shall not be used for the measurement of power flows for purposes of this Interim 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 Owner or its designee. The installation, operation and maintenance thereof shall be performed entirely by Interconnection Customer in accordance with Good Utility Practice.
- 7.3 Standards.** Transmission Owner shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards.
- 7.4 Testing of Metering Equipment.** Transmission Owner shall inspect and test all Transmission Owner-owned Metering Equipment in accordance with Transmission Owner's meter testing policies. If requested to do so by Interconnection Customer, Transmission Owner shall, at Interconnection Customer's expense, inspect or test Metering Equipment more frequently than the periods set forth in the Transmission Owner's meter testing policies. Transmission Owner shall give reasonable notice of the time when any inspection or test shall take place, and Interconnection Customer 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 Transmission Owner's failure to maintain, then Transmission Owner 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 from the measurement made by the standard meter used in the test, Transmission Owner 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 last 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 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 Owner's Transmission System

dispatcher or representative designated by Transmission Owner. 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 Owner 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 Owner. Any required maintenance of such communications equipment shall be performed by 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 the 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 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. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Transmission Owner.

Each Party will promptly advise the other Party if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by the other Party. 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 the other Parties all information that may reasonably be required by the other Parties to comply with Applicable Laws and Regulations and Applicable Reliability Standards.
- 9.2 Control Area Notification.** At least three months before Initial Synchronization Date, Interconnection Customer shall notify Transmission Provider and Transmission Owner in writing of the Control Area in which the Generating Facility will be located. If Interconnection Customer elects to locate the Generating Facility in a Control Area other than the Control Area 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 Interim GIA, and remote Control Area 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 Control Area.

9.3 Transmission Provider and Transmission Owner Obligations. Transmission Provider and Transmission Owner shall cause the Transmission System and Transmission Owner's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this Interim GIA. Transmission Provider or Transmission Owner may provide operating instructions to Interconnection Customer consistent with this Interim GIA and Transmission Owner's operating protocols and procedures as they may change from time to time. Transmission Provider and Transmission Owner 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 Interim GIA. Interconnection Customer shall operate the Generating Facility and Interconnection Customer's Interconnection Facilities in accordance with all applicable requirements of the Control Area of which it is part, as such requirements are set forth in Appendix C, Interconnection Details, of this Interim 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 another Party provide copies of the requirements set forth in Appendix C, Interconnection Details, of this Interim 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 System.

9.6 Reactive Power.

9.6.1 Power Factor Design Criteria. Interconnection Customer shall design the Generating Facility to maintain a composite power delivery at continuous rated power output at the Point of Interconnection at a power factor within the range of 0.95 leading to 0.95 lagging, unless Transmission Provider or Transmission Owner has established different requirements that apply to all generators in the Control Area on a comparable basis. A wind generator plant shall maintain a power factor within the range of .95 leading to .95 lagging, measured at the Point of Interconnection as defined in this Interim GIA, if the Transmission Provider's Interconnection Study shows that such a requirement is necessary to ensure safety or reliability.

9.6.2 Voltage Schedules. Once Interconnection Customer has synchronized the Generating Facility with the Transmission System, Transmission Provider and/or Transmission Owner 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). Transmission Owner's voltage schedules shall treat all sources of reactive power in the Control Area in an equitable and not unduly discriminatory manner. Transmission Owner 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 System. 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 the Transmission Owner.

9.6.2.1 Governors and Regulators. Whenever the Generating Facility is operated in parallel with the Transmission System 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 Owner'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 System or trip any generating unit comprising the Generating Facility for an under or over frequency condition in accordance with Good Utility Practice and Applicable Reliability Standards.

9.6.3 Payment for Reactive Power. Transmission Provider is required to pay Interconnection Customer for reactive power that Interconnection Customer provides or absorbs from the Generating Facility when Transmission Owner requests Interconnection Customer to operate its Generating Facility outside the range specified in Article 9.6.1. Payments shall be pursuant to Article 11.9 or such other agreement to which the Parties have otherwise agreed; provided however, to the extent the Tariff contains a provision providing for such compensation, that Tariff provision shall control.

9.7 Outages and Interruptions.

9.7.1 Outages.

9.7.1.1 Outage Authority and Coordination. Each Party may in accordance with Good Utility Practice in coordination with the other Party remove from service any of its respective Interconnection Facilities or Network

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 schedule such removal on a date and time mutually acceptable to all 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. Transmission Provider shall post scheduled outages of its transmission facilities on the OASIS. Interconnection Customer shall submit its planned maintenance schedules for the Generating Facility to Transmission Provider for a minimum of a rolling twenty-four month period. 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 Interconnection Customer for any additional direct costs that 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 Interconnection Customer would have incurred absent 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, Interconnection Customer had modified its schedule of maintenance activities.

9.7.1.3 Outage Restoration. If an outage on a Party's Interconnection Facilities or Network Upgrades adversely affects another 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 explaining the nature of the outage.

9.7.2 Interruption of Service. In addition to any reduction in Interconnection Service required pursuant to Article 4.2.2, if required by Good Utility Practice to do so, Transmission Provider and/or Transmission Owner may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Transmission Provider's and/or Transmission Owner'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 System;

9.7.2.3 When the interruption or reduction must be made under circumstances which do not allow for advance notice, Transmission Provider or Transmission Owner 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 or Transmission Owner shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration. Transmission Provider or Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the interruption or reduction during periods of least impact to Interconnection Customer and Transmission Owner; and

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 System 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 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 System Protection Facilities as a part of the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Owner shall install at Interconnection Customer's expense any System Protection Facilities that may be required on Transmission Owner's Interconnection Facilities or the Transmission System as a result of the interconnection of the Generating Facility and the Interconnection Customer's Interconnection Facilities.

9.7.4.2 Each Party's protection facilities shall be designed and coordinated with other 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 Interconnection Customer's units.

9.7.4.5 Each Party will test, operate and maintain 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, each Party or its agent 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, each Party shall perform both calibration and functional trip tests of its System Protection Facilities. These tests do not require the tripping of any in-service generation 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 System 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 System. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Generating Facility and the Transmission System 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 System could adversely affect the Generating Facility.

9.7.6 Power Quality. No 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, or any applicable superseding electric industry standard, ANSI Standard C84.1-1989, or the applicable superseding electric industry standard, shall control.

9.8 Switching and Tagging Rules. Each Party shall provide the other Parties a copy of its switching and tagging rules that are applicable to the other Party's 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 Third 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 System and shall be used for no other purpose.

9.9.2 Third Party Users. If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld, to allow one or more third parties to use 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 third 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 third party users based upon the pro rata use of the Interconnection Facilities by Transmission Owner, all third 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 FERC for resolution.

- 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 System and Transmission Owner's Interconnection Facilities in a safe and reliable manner and in accordance with this Interim GIA.
- 10.2 Interconnection Customer Obligations.** Interconnection Customer shall maintain the Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this Interim GIA.
- 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 others 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 third party and such third 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.

Article 11. Performance Obligation

- 11.1 Interconnection Customer Interconnection Facilities.** Interconnection Customer shall design, procure, construct, install, own and/or control Interconnection Customer's Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at its sole expense.
- 11.2 Reserved.**

11.3 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, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at the sole expense of the Interconnection Customer.

11.4 Network Upgrades and Distribution Upgrades. All Network Upgrades and Distribution Upgrades described in Appendix A shall be constructed in accordance with the process set forth in Section VI of Attachment O. Transmission Owner shall design, procure, construct, install, and own the Network Upgrades and Distribution Upgrades described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades that are associated with that Transmission Owner's system. The Distribution Upgrades and Network Upgrades described in Appendix A shall be solely funded by Interconnection Customer unless Transmission Owner elects to fund the capital for the Distribution Upgrades or Network Upgrades.

11.5 Transmission Credits.

11.5.1 Credits for Amounts Advanced for Network Upgrades. Interconnection Customer shall be entitled to credits in accordance with Attachment Z2 of the Tariff for any Network Upgrades including any tax gross-up or other tax-related payments associated with Network Upgrades, and not refunded to Interconnection Customer pursuant to Article 5.17.8.

11.5.2 Special Provisions for Affected Systems. Unless Transmission Provider provides, under the Interim GIA, for the repayment of amounts advanced to Affected System Operator for Network Upgrades, Interconnection Customer and Affected System Operator shall enter into an agreement that provides for such repayment. The agreement shall specify the terms governing payments to be made by Interconnection Customer to the Affected System Operator as well as the repayment by the Affected System Operator.

11.5.3 Notwithstanding any other provision of this Interim 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 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 transmission credits for transmission service that is not associated with the Generating Facility.

11.6 Initial Payment.

Interconnection Customer shall make an initial payment ("Initial Payment") equal to the greater of a) twenty (20) percent of the total cost of Network Upgrades, Shared Network Upgrades, Transmission Owner Interconnection Facilities and/or Distribution Upgrades listed in Appendix A or b) \$4,000/MW of the size of the Generating Facility. Any remaining milestone deposits provided in Section 8.2 and Section 8.9 of the GIP will be

applied to this requirement. The Initial Payment shall be provided to Transmission Owner or Transmission Provider as required in Appendix B by Interconnection Customer pursuant to this Article 11.6 within the later of a) thirty (30) days of the execution of the GIA by all Parties, or b) thirty (30) days of acceptance by FERC if the GIA is filed unexecuted and the payment is being protested by Interconnection Customer, or c) thirty (30) days of the filing if the GIA is filed unexecuted and the Initial Payment is not being protested by Interconnection Customer. If this GIA is terminated, then the Initial Payment shall be refunded with accrued interest, if any, to the Interconnection Customer less:

- a. any costs that have been incurred for the construction of the facilities specified in Appendix A;
- b. any funds that have been committed for the construction of those Shared Network Upgrades, or Network Upgrades, assigned to another interconnection customer where such upgrade costs would not have been assigned but for the termination of the GIA; or
- c. any costs that has been incurred for the construction of those Shared Network Upgrades, or Network Upgrades, that were paid for by another interconnection customer that are now unnecessary due to the termination of the GIA.

11.7 Provision of Security.

11.7.1 Initial Security. Payments for any upgrades installed by the Transmission Owner will be addressed in accordance with Article 11.8 of this Interim GIA. Within fifteen (15) Business Days of the date that Interconnection Customer delivers to Transmission Provider an executed Interim GIA, Interconnection Customer shall provide Transmission Provider, at Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Transmission Provider and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 14.2.1 in the amount set forth in Appendix A to this Interim GIA. This amount represents either (a) the sum of the estimated costs for which Interconnection Customer will be responsible for the construction, procurement, and installation of the applicable portion of Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades for which it will share cost responsibility as determined in the study designated in Appendix A.4. and 100 percent of the costs of Interconnection Facilities, Network Upgrades, or Distribution Upgrades for which Interconnection Customer has sole cost responsibility less the amounts required by Transmission Owner for Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades funded through Article 11.8 or (b) if the estimated costs above have not been established at the time Interconnection Customer requests Interim Interconnection Service, the initial security amount will be established by the Transmission Provider based on one or more completed studies for comparable interconnection requests less the amounts required by

Transmission Owner for Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades funded through Article 11.8.

11.7.2 Security Adjustment. In the event that the results of any subsequently posted study (e.g., Definitive Interconnection System Impact Study, Interconnection Facilities Study, or any other study required pursuant to the GIP in connection with Interconnection Service under this Interim GIA) indicates that Interconnection Customer's cost responsibility for Interconnection Facilities, Network Upgrades, or Distribution Upgrades required to interconnect its Generating Facility is less than or greater than the amount set forth in Appendix A, the amount of security required under this Interim GIA shall be adjusted to reflect the Interconnection Customer's revised amount of cost responsibility determined in such posted study less the amounts required by Transmission Owner for Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades funded through Article 11.8. Transmission Provider shall notify Interconnection Customer of the revised security amount when it posts the study. If the security amount increases, Interconnection Customer shall provide the additional amount of security within fifteen (15) Business Days of receipt of such notification. If the security amount decreases, Transmission Provider and Interconnection Customer shall take the appropriate action to reduce the amount of security held by Transmission Provider within fifteen (15) Business Days of Interconnection Customer's receipt of such notification. If Interconnection Customer fails to provide additional security as prescribed in this Article 11.5.2, this Interim GIA will be terminated in accordance with Article 2.3. In addition:

11.7.2.1 The guarantee must be made by an entity that meets the creditworthiness requirements of Transmission Provider, 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.

11.7.2.2 The letter of credit must be issued by a financial institution reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.7.2.3 The surety bond must be issued by an insurer reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.8 Advance Payment.

11.8.1 For Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades constructed by Transmission Owner under this Interim GIA, Interconnection Customer shall be required to pay Transmission Owner for all actual costs incurred by Transmission Owner for the procurement, installation, or construction of a discrete portion of a Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and shall pay

Transmission Owner, in advance, for all work to be conducted by the Transmission Owner, under the terms and conditions set forth in this Interim GIA. Such advance payments shall be considered estimated costs for project planning, management, design, engineering, land purchase, environmental investigations, procurement, construction, inspection and commissioning activities for which such advance payments are then due. The funds shall be deposited by Interconnection Customer according to the instructions on individual invoices from Transmission Owner, which shall be delivered by Transmission Owner to Interconnection Customer at least ten (10) Business Days prior to the date of such payment being due. Transmission Owner shall not provide any labor, equipment, materials, parts, travel, or incur incidental costs associated with tasks described above, or commence any other work until applicable advance payment(s) is/are received in full.

11.8.2 Interconnection Customer shall not be required to make any subsequent payment to the Transmission Owner in the event tasks relating to the prior payment have not been substantially completed.

11.8.3 Transmission Owner shall keep detailed records for actual costs incurred. Interconnection Customer shall be entitled, during normal business hours and at its own expense, to review such records and supporting documentation. If, during procurement, installation, or construction of a discrete portion of a Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, or upon close-out of any phase of such activities, costs by Transmission Owner are expected to exceed the sum of payments made by Interconnection Customer, Transmission Owner will inform Interconnection Customer of the additional expenses and provide a written revision to the estimate, together with an invoice for the amount due. Interconnection Customer shall then promptly pay Transmission Owner in full and without interest for the billed amount. If, upon completion of the procurement, installation, or construction of a discrete portion of Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, costs incurred by Transmission Owner are less than the sum of payment(s) made to Transmission Owner by Interconnection Customer, Transmission Owner shall refund the difference, unless such payments are otherwise non-refundable pursuant to Section 11.6 (Initial Payment), without interest, as soon as the necessary vouchers may be prepared.

11.9 Interconnection Customer Compensation. If Transmission Provider or Transmission Owner requests or directs Interconnection Customer to provide a service pursuant to Articles 9.6.3 (Payment for Reactive Power), or 13.5.1 of this Interim GIA, Transmission Provider shall compensate Interconnection Customer in accordance with Interconnection Customer's applicable rate schedule then in effect unless the provision of such service(s) is subject to the Tariff. Interconnection Customer shall serve Transmission Provider with any filing of a proposed rate schedule at the time of such filing with FERC. To the extent that no rate schedule is in effect at the time the Interconnection Customer is required to provide or absorb any Reactive Power under this Interim GIA, Transmission Provider

agrees to compensate Interconnection Customer in such amount as would have been due Interconnection Customer had the rate schedule been in effect at the time service commenced; provided, however, that such rate schedule must be filed at FERC or other appropriate Governmental Authority within sixty (60) Calendar Days of the commencement of service.

11.9.1 Interconnection Customer Compensation for Actions During Emergency Condition. Transmission Provider shall compensate Interconnection Customer for its provision of real and reactive power and other Emergency Condition services that Interconnection Customer provides to support the Transmission System during an Emergency Condition in accordance with Article 11.9.

Article 12. Invoice

The terms of this Article 12 apply to billing between the Parties for construction and operation and maintenance charges. All other billing will be handled according to the Tariff.

12.1 General. Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due 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 Interim 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 Interconnection Facilities and the Network Upgrades to be constructed pursuant to this Interim GIA, the Interconnection Customer shall receive an invoice of the final cost due under this Interim GIA, including any applicable cost due to termination, which 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. Interconnection Customer shall receive a refund of 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 either Party will not constitute a waiver of any rights or claims either Party may have under this Interim GIA.

12.4 Disputes. In the event of a billing dispute between the Parties, Transmission Owner, and Transmission Provider shall continue to provide Interconnection Service under this Interim GIA as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to 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 Owner may 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 the other Party shall pay the amount due, with the Transmission Provider and Interconnection Customer to pay the amount due with the accrued interest, if any.

Article 13. Emergencies

13.1 Definition. “Emergency Condition” shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, 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, or the electric systems of others to which the Transmission Provider’s Transmission System is directly connected; or (3) that, in the case of 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, Transmission Owner’s Interconnection Facilities; or (4) 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 black start shall be considered Emergency Conditions; provided, that Interconnection Customer is not obligated by the Interim Generator Interconnection Agreement, to possess black start capability.

13.2 Obligations. Each Party shall comply with the Emergency Condition procedures of NERC, the Applicable Reliability Council, Transmission Provider, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.

13.3 Notice. Transmission Provider or Transmission Owner shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Owner’s Interconnection Facilities or the Transmission System that may reasonably be expected to affect Interconnection Customer’s operation of the Generating Facility or Interconnection Customer’s Interconnection Facilities.

Interconnection Customer shall notify Transmission Provider and Transmission Owner promptly when it becomes aware of an Emergency Condition that affects the Generating Facility or Interconnection Customer’s Interconnection Facilities that may reasonably be expected to affect the Transmission System or 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 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.

13.4 Immediate Action. Unless, in Interconnection Customer’s reasonable judgment, immediate action is required, Interconnection Customer shall obtain the consent of

Transmission Owner, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Generating Facility or Interconnection Customer's Interconnection Facilities in response to an Emergency Condition either declared by Transmission Provider or Transmission Owner or otherwise regarding the Transmission System.

13.5 Transmission Provider and Transmission Owner Authority.

13.5.1 General. Transmission Provider and/or Transmission Owner may take whatever actions or inactions with regard to the Transmission System or 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 Transmission Owner's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

Transmission Provider and Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Provider and/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 13.5.2; directing Interconnection Customer to assist with black start (if available) or restoration efforts; or altering the outage schedules of the Generating Facility and Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of Transmission Provider's and 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.

13.5.2 Reduction and Disconnection. Transmission Provider and/or Transmission Owner may reduce Interconnection Service or disconnect the Generating Facility or 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, reduction, or disconnection of Transmission Provider pursuant to Transmission Provider's Tariff or Articles 2.5, 4.2.2 and 9.7.2. When Transmission Provider and/or Transmission Owner can schedule the reduction or disconnection in advance, Transmission Provider and/or Transmission Owner shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider and/or Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Interconnection Customer, Transmission Provider and/or Transmission Owner.

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.

- 13.6 Interconnection Customer Authority.** Consistent with Good Utility Practice and this Interim GIA and the GIP, Interconnection Customer may take actions or inactions with regard to the Generating Facility or 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 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 Transmission Owner's Interconnection Facilities. Transmission Provider and/or Transmission Owner shall use Reasonable Efforts to assist Interconnection Customer in such actions.
- 13.7 Limited Liability.** Except as otherwise provided in Article 11.9.1 of this Interim GIA, no Party shall be liable to the other Parties 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.

Article 14. Regulatory Requirements and Governing Law

- 14.1 Regulatory Requirements.** Each Party's obligations under this Interim 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 use its Reasonable Efforts to obtain such other approvals. Nothing in this Interim 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, or the Public Utility Regulatory Policies Act of 1978, as amended by the 2005 Energy Policy Act.

14.2 Governing Law.

- 14.2.1** The validity, interpretation and performance of this Interim GIA and each of its provisions shall be governed by Federal law or by the laws of the state where the Point of Interconnection is located, as applicable.
- 14.2.2** This Interim 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 Interim GIA, any notice, demand or request required or permitted to be given by any Party to another and any instrument required or permitted to be tendered or delivered by any Party in writing to another 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.

Any Party may change the notice information in this Interim 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 another and not required by this Agreement 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 No Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 4), 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 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 due diligence 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 Interim GIA or the result of an act or omission of another Party. Upon a Breach, the non-breaching Party shall give written notice of such Breach to the breaching Party. Except as provided in Article 17.1.2, the breaching Party shall have thirty (30) Calendar Days from receipt of the Default 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 Default 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 shall have the right to declare a Default and terminate this Interim GIA by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Interim GIA, to recover from the breaching Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this Interim GIA.

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Parties harmless from, 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 Parties' action or inactions of its obligations under this Interim GIA on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party. Notwithstanding the provisions of Article 18, the liability of the Transmission Owner shall be limited to and determined in accordance with the Federal Tort Claims Act, 28. U.S.C. § 1346(c), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.

18.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 18 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 18.1, to assume the defense of such claim, such indemnified person 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.

18.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 18, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

18.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 18.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

18.2 Consequential Damages. In no event shall any Party be liable to any other Party under any provision of this Interim 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 any Party may be liable to another Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Interconnection Customer Insurance. Interconnection Customer shall at its own expense, maintain in force throughout the period of this Interim GIA, and until released

by all other Parties, the following minimum insurance coverages, with insurers authorized to do business in the state where the Point of Interconnection is located:

- 18.3.1** 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. The minimum limits for the Employers' Liability insurance shall be One Million Dollars (\$1,000,000) each accident bodily injury by accident, One Million Dollars (\$1,000,000) each employee bodily injury by disease, and One Million Dollars (\$1,000,000) policy limit bodily injury by disease.
- 18.3.2** 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 (if applicable), independent contractors coverage, coverage for pollution (if exposure is present) and punitive or exemplary damages, with minimum limits of One Million Dollars (\$1,000,000) each occurrence/Two Million Dollars (\$2,000,000) general aggregate and Two Million Dollars (\$2,000,000) products and completed operations aggregate combined single limit for personal injury, bodily injury, including death and property damage.
- 18.3.3** Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage.
- 18.3.4** Excess Liability Insurance over and above the Employers' Liability Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) each occurrence/Twenty Million Dollars (\$20,000,000) general aggregate.
- 18.3.5** The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other Party, its parent, 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 Interim GIA against the Other Party Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.
- 18.3.6** The Commercial General Liability Insurance, 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.

18.3.7 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 Interim GIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed to by all Parties.

18.3.8 The requirements contained herein as to the types and limits of all insurance to be maintained by the Interconnection Customer are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this Agreement.

18.3.9 Within ten (10) days following execution of this Interim GIA, 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 shall provide certification of all insurance required in this Interim GIA, executed by each insurer or by an authorized representative of each insurer to the Other Party Group.

18.3.10 Notwithstanding the foregoing, Interconnection Customer may self-insure to meet the minimum insurance requirements of Articles 18.3.2 through 18.3.8 to the extent it maintains a self-insurance program; provided that, such Interconnection Customer's senior secured debt is rated at investment grade or better by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 18.3.2 through 18.3.8. For any period of time that an Interconnection Customer's senior secured debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, Interconnection Customer shall comply with the insurance requirements applicable to it under Articles 18.3.2 through 18.3.9. In the event that Interconnection Customer 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 18.3.9.

18.3.11 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 Interim GIA.

18.4 Transmission Owner Insurance. Transmission Owner is self-insured in accordance with its status as a Federal agency.

Article 19 Assignment.

19.1 Assignment. This Interim GIA may be assigned by any Party only with the written consent of the other Parties to any Affiliate of the assigning Party, or other third party, with an acceptable credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Interim GIA. Interconnection Customer shall have the right to assign this Interim GIA, with the written consent of Transmission Provider and Transmission Owner, for collateral security purposes to aid in providing financing for the Generating Facility. 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 Transmission Provider and Transmission Owner of the date and particulars of any such exercise of assignment right(s), including providing the Transmission Provider with proof that it meets the requirements of Articles 11.7 and 18.3. Any assignment under this article not solely for collateral security purposes shall be conditioned on the simultaneous assignment of Interconnection Customer's Queue Position to assignee and assignee demonstrating the ability to enter into and fulfill the obligations of a final GIA. Any attempted assignment that violates this article is void and ineffective. Any assignment under this Interim 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. Consent to assignment will not be unreasonably withheld, conditioned or delayed.

Article 20. Severability

20.1 Severability. If any provision in this Interim 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 Interim GIA; provided that if Interconnection Customer (or any third party, but only if such third party is not acting at the direction of Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Negotiated Option (Article 5.1.3), 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, 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 any of the Parties to another prior to the execution of this Interim 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.

If requested by any Party, a Party shall provide in writing, the basis for asserting that the information referred to in this Article 22 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 Interim GIA, and for a period of three (3) years after the expiration or termination of this Interim GIA, except as otherwise provided in this Article 22, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

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 third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this Interim GIA; or (6) is required, in accordance with Article 22.1.7 of the Interim 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 Interim GIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other 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, consultants, or to parties who may be or 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 Interim 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 each Party discloses another other Party. The disclosure by any Party to another 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 Interim GIA or its regulatory requirements.

22.1.7 Order of Disclosure. If a court or a Governmental Authority or entity with the right, power, and apparent authority to do so requests or requires a Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of this Interim 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 Interim 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 other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.

22.1.9 Remedies. This section 22.1.9 shall not apply to the Transmission Owner. 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 other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this 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 C.F.R. Section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this Interim 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 C.F.R. Section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying another Party to this Interim GIA prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Parties to the Interim 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 C.F.R. Section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, if consistent with the applicable Federal and state laws, rules and regulations.

22.1.11 Subject to the exception in Article 22.1.10, any information that a Party claims is competitively sensitive, commercial or financial information under this Interim GIA ("Confidential Information") shall not be disclosed by another Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Interim GIA or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures

22.1.12 This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a Breach of this provision).

Article 23. Environmental Releases

- 23.1** Each Party shall notify the other Party, 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 the other 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 Party copies of any publicly available reports filed with any Governmental Authorities addressing such events.
- 23.2** Each Party shall remedy as soon as practicable all releases of Hazardous Substances brought to, or created at, real property it owns underlying the Generating Facility or Interconnection Facilities, and any such substances migrating from real property it owns at the Generating Facility site. The Party that caused the release shall bear the costs of the remedial action, which shall meet applicable Federal and state environmental standards at the time of the action. Such costs may include, but are not limited to, Federal and state supervision, remedial action plans, removal and remedial actions, and negotiation of voluntary and judicial agreements required to meet such environmental standards.
- 23.3** The Parties agree to comply fully with the substantive requirements of all applicable Federal, state and local environmental laws in the performance of their obligations hereunder, and to mitigate and abate adverse environmental impacts accordingly.

Article 24. Information Requirements

- 24.1 Information Acquisition.** Transmission Provider and 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.** The initial information submission by Transmission Provider shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Transmission System information necessary to allow Interconnection Customer to select equipment and meet any system protection and stability requirements, unless otherwise agreed to by the Parties. On a monthly basis Transmission Provider shall provide Interconnection Customer a status report on the construction and installation of Transmission Provider's Interconnection Facilities 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.

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 the other Parties are responsible under this Interim GIA; and (ii) carry out its obligations and responsibilities under this Interim 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 Interim GIA.

25.2 Reporting of Non-Force Majeure Events. Each 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 Interim 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 the Parties receiving such notification to allege a cause for anticipatory breach of this Interim GIA.

25.3 Audit Rights. Subject to the requirements of confidentiality under Article 22 of this Interim GIA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to another Party, to audit at its own expense that other Party's accounts and records pertaining to either Party's performance or either Party's satisfaction of obligations under this Interim GIA. Such audit rights shall include audits of the other Party's costs, calculation of invoiced amounts, Transmission Provider's efforts to allocate responsibility for the provision of reactive support to the Transmission System, Transmission Provider's efforts to allocate responsibility for interruption or reduction of generation on the Transmission System, 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 Interim 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 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 any Party's performance or satisfaction of all obligations under this Interim 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 other Party together with those records from the audit which support such determination.

Article 26. Subcontractors

- 26.1 General.** Nothing in this Interim GIA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Interim GIA; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Interim GIA in providing such services and each Party shall remain primarily liable to the other Parties 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 Interim GIA. The hiring Party shall be fully responsible to the other Parties 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 Transmission Owner be liable for the actions or inactions of Interconnection Customer or its subcontractors with respect to obligations of Interconnection Customer under Article 5 of this Interim GIA. Any applicable obligation imposed by this Interim 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 Interim GIA or its performance, the Parties agree to resolve such dispute using 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 Federal law or 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 Interim 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 Interim GIA.

28.1.2 Authority. Such Party has the right, power and authority to enter into this Interim GIA, to become a Party hereto and to perform its obligations hereunder. This Interim 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 Interim 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 Interim 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 Interim GIA, and it will provide to any Governmental Authority notice of any actions under this Interim GIA that are required by Applicable Laws and Regulations.

Article 29. Joint Operating Committee

29.1 Joint Operating Committee. At least six (6) months prior to the expected Initial Synchronization Date, Interconnection Customer, Transmission Owner and Transmission Provider shall each appoint one representative and one alternate to the Joint Operating Committee. Each Party shall notify the other Parties of its appointment in writing. Such appointments may be changed at any time by similar notice. The Joint Operating Committee shall meet as necessary, but not less than once each calendar year, to carry out the duties set forth herein. The Joint Operating Committee shall hold a meeting at the request of any Party, at a time and place agreed upon by the representatives. The Joint Operating Committee shall perform all of its duties consistent with the provisions of this Interim GIA. All Parties shall cooperate in providing to the Joint Operating Committee all information required in the performance of the Joint Operating Committee's duties. All decisions and agreements, if any, made by the Joint Operating Committee, shall be evidenced in writing. The duties of the Joint Operating Committee shall include the following:

29.1.1 Establish data requirements and operating record requirements.

29.1.2 Review the requirements, standards, and procedures for data acquisition equipment, protective equipment, and any other equipment or software.

29.1.3 Annually review the one (1) year forecast of maintenance and planned outage schedules of Transmission Owner's and Interconnection Customer's facilities at the Point of Interconnection.

29.1.4 Coordinate the scheduling of maintenance and planned outages on the Interconnection Facilities, the Generating Facility and other facilities that impact the normal operation of the interconnection of the Generating Facility to the Transmission System.

29.1.5 Ensure that information is being provided by each Party regarding equipment availability.

29.1.6 Perform such other duties as may be conferred upon it by mutual agreement of the Parties.

Article 30. Miscellaneous

30.1 Binding Effect. This Interim 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.

30.2 Conflicts. In the event of a conflict between the body of this Interim GIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Interim GIA shall prevail and be deemed the final intent of the Parties.

30.3 Rules of Interpretation. This Interim 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 Interim 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 Interim 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 Interim GIA or such Appendix to this Interim 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 Interim 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 Interim GIA, including all Appendices and Schedules attached hereto, and also incorporating through reference Section 39.3 of the Tariff as if it were a

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

30.5 No Third Party Beneficiaries. This Interim 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 Interim GIA to insist, on any occasion, upon strict performance of any provision of this Interim 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 a Party of its rights with respect to this Interim 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 Interim GIA. Termination or Default of this Interim GIA for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this Interim GIA shall, if requested, be provided in writing.

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

30.8 Multiple Counterparts. This Interim GIA may be executed in three 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 Interim GIA by a written instrument duly executed by each of the Parties.

30.10 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Interim GIA by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Interim 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 Interim 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 Interim 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 by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Interim 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 Interim GIA shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership among the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.

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

SOUTHWEST POWER POOL, INC.

By: _____

Title: _____

Date: _____

[Insert name of Transmission Owner]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Appendix A to Interim GIA

Interconnection Facilities, Network Upgrades, Distribution Upgrades, Security, Type and Amount of Interconnection Service, Construction Option, and Higher Queued Project List

1. Interconnection Facilities: [include description, responsible party, and estimated costs]

A. Interconnection Customer's Interconnection Facilities

B. Transmission Owner Interconnection Facilities

2. Network Upgrades: [include description, responsible party, and estimated costs]

A. Stand Alone Network Upgrades

B. Network Upgrades For Which Interconnection Customer Is Solely Responsible

C. Network Upgrades For Which Interconnection Customer Shares Cost Responsibility

3. Distribution Upgrades: [include description, responsible party, and estimated costs]

4. Security, Credits and Taxes:

A. The amount of initial security to be provided by Interconnection Customer in accordance with Article 11.5.1 is \$_____. The required amount of security required pursuant to this Interim GIA may be adjusted pursuant to Article 11.5.2 of this Agreement.

B. The estimated portion of the Network Upgrades identified in Section 2 of this Appendix A that could be subject to the credits described in Article 11.4 of this Agreement is \$_____.

C. Interconnection Customer's estimated liability for reimbursement of Transmission Owner for taxes, interest and/or penalties under Article 5.17.3 of this Agreement is \$_____.

5. Type and Amount of Interim Interconnection Service:

The type of Interim Interconnection Service to be provided pursuant to this Interim GIA shall be [Energy Resource or Network Resource] Interim Interconnection Service in the amount of _____ MW.

6. Construction Option For Stand Alone Upgrades and Transmission Owner Interconnection Facilities:

The Parties have agreed to the construction options for the Stand Alone Network Upgrades and Transmission Owner Interconnection Facilities as specified below:

A. Stand Alone Network Upgrades:

[List the Stand Alone Network Upgrade and the construction option]

B. Transmission Owner Interconnection Facilities:

[List the Transmission Owner Interconnection Facility and the option]

7. Higher Queued Projects:

[list Higher Queued Projects]

8. Permits, Licenses and Authorizations:

9. Penalty, Redispatch or Market-Related Costs:

10. One-Line Diagram:

11. Environmental Requirements

This Interim GIA is subject to completion of the appropriate National Environmental Policy Act (NEPA) level of Environmental Review. **Until a NEPA decision document is issued, no construction activities relating to Transmission Owner's Interconnection Facilities and/or Network Upgrades may commence.**

(a) [Insert Environmental Requirements for an Environmental Impact Statement (EIS) level of Environmental Review]

(b) [Insert Environmental Requirements for an Environmental Assessment (EA) level of Environmental Review]

Appendix B to Interim GIA

Milestones

Appendix C to Interim GIA

Interconnection Details

This Appendix C is an integral part of this Interim GIA.

- 1. Description of Generating Facility:**
- 2. Description of Point of Change of Ownership:**
- 3. Description of Point of Interconnection:**

4. Interconnection Guidelines:

The unique requirements of each generation interconnection will dictate the establishment of mutually agreeable Interconnection Guidelines that further define the requirements of this Agreement. The Interconnection Guidelines will address, but not be limited to, the following:

Appendix D to Interim GIA

Infrastructure and Operational Security Arrangements

Infrastructure security of Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day Transmission System reliability and operational security. FERC will expect all Transmission Providers, market participants, and Interconnection Customers interconnected to the Transmission System to comply with the recommendations offered by the National Infrastructure Advisory Council and, eventually, 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 Interim GIA

Commercial Operation Date

[Date]

_____, _____
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

[Transmission Owner Address]

Re: _____

Dear _____:

On **[Date]**, _____ has completed Trial Operation of referenced generation facility in the Interim Generator Interconnection Agreement dated _____. This letter confirms that _____ commenced Commercial Operation of the referenced generation facility, effective as of **[Date plus one day]**.

Thank you.

[Signature]

[Interconnection Customer Representative]

Appendix F to Interim GIA

ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS

Notices:

Transmission Provider:

_____, _____
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be Supplied]

Interconnection Customer:

[To be Supplied]

Billings and Payments: [Specify addresses for construction invoices, O&M invoices and settlement of ancillary services]

Transmission Provider:

_____, _____
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be Supplied]

Interconnection Customer:

[To be Supplied]

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

Transmission Provider:

_____, _____
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Phone: _____
Facsimile: 501-482-2022

Transmission Owner:

[TO BE SUPPLIED]

Interconnection Customer:

[TO BE SUPPLIED]

Operational Communications: [Identify contacts for operations]

Transmission Provider:

_____, _____
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Phone: _____
Facsimile: 501-482-2022

Transmission Owner:

[TO BE SUPPLIED]

Interconnection Customer:

[TO BE SUPPLIED]

Appendix G to Interim GIA

REQUIREMENTS OF GENERATORS RELYING ON NEWER TECHNOLOGIES

Appendix G sets forth requirements and provisions specific to a wind generating plant. All other requirements of this Interim 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. the 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 Transmission System 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 Transmission System 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 power factor within the range of 0.95 leading to 0.95 lagging, measured at the Point of Interconnection as defined in this Interim 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.

ATTACHMENT W
INDEX OF GRANDFATHERED AGREEMENTS

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
1	GRDA/KAMO Generation Participation	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
2	East Miami	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
5	Byng & Chickasaw Nation	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 6/30/2015 with rollover provisions thereafter
6	City of Skiatook	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
7	345/KV Transmission Agreement	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
8	345/KV Transmission Agreement	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
10	WFEC/BANK	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
11	WFEC/BANK	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
12	City of Poplar Bluff	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
13	City of Paragould	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
14	CSWS/GRDA Network Load/Ramona	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
15	CSWS/GRDA Network Load/Pryor Others	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
16	AECI/GRDA Interconnect Agreement	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
17	AECI/GRDA Interconnect Agreement	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
18	Agreement between Western Farmers Electric Cooperative and the Anadarko Public Works Authority, Anadarko, Oklahoma	Western Farmers Electric Cooperative	Anadarko, Oklahoma Public Works Authority		All requirements wholesale power supply agreement	Agreement shall remain in effect until cancelled by either party giving written notice to the other delivered at least two years prior to July 31, 2007, or thereafter upon one years' written notice on any annual anniversary of agreement.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
21	Agreement between Western Farmers Electric Cooperative and the New Cordell Utility Authority, Cordell, Oklahoma	Western Farmers Electric Cooperative	New Cordell Utility Authority		All requirements wholesale power supply agreement	Agreement shall remain in effect until cancelled by either party giving written notice to the other delivered at least two years prior to August 31, 2007, or thereafter upon one years' written notice on any annual anniversary of agreement.
22	Interchange Agreement between Western Farmers Electric Cooperative and the City of Electra, Texas	Western Farmers Electric Cooperative	City of Electra, Texas		All requirements wholesale power supply agreement	Agreement shall remain in effect until cancelled by either party giving written notice to the other delivered at least two years prior to May 31, 2007, or thereafter upon one years' written notice on any annual anniversary of agreement.
23	Wholesale Power Contract with Member Cooperatives	Western Farmers Electric Cooperative	Western Farmers Electric Cooperative and its Member Co-ops		All requirements wholesale power supply agreement (currently approximately 800 MW)	Agreement shall continue in effect until July 1, 2025, and thereafter until terminated by either party's giving to the other not less than six months' written notice of its desire to terminate.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
24	Agreement between Western Farmers Electric Cooperative and the Mooreland Public Works Authority, Mooreland, Oklahoma	Western Farmers Electric Cooperative	Morland Public Works Authority		All requirements wholesale power supply agreement	Agreement shall remain in effect until cancelled by either party giving written notice to the other delivered at least one years prior to March 31, 2007, or thereafter upon one years' written notice on any annual anniversary of agreement.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
26	Agreement between Western Farmers Electric Cooperative and the City of Watonga, Oklahoma	Western Farmers Electric Company	City of Watonga, Oklahoma		All requirements wholesale power supply agreement	Agreement shall remain in effect until cancelled by either party giving written notice to the other delivered at least one years prior to March 31, 2007, or thereafter upon one years' written notice on any annual anniversary of agreement.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
27	Transmission Service Agreement between Southwestern Electric Power Company and City of Lafayette, Louisiana	Southwestern Electric Power Company	City of Lafayette, Louisiana		Firm TS	year-to-year
28	Transmission Service Agreement between KAMO Electric Cooperative, Inc. and Public Service Company of Oklahoma	Public Service Company of Oklahoma	KAMO Electric Cooperative, Inc.		Firm TS	year-to-year
29	Contract for Electric Service between Public Service Company of Oklahoma and South Coffeyville Public Works Authority	Public Service Company of Oklahoma	City of S. Coffeyville, Oklahoma		Full RQ	year-to-year

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
38	Contract for Electric ServiceContract No. 3950003	Public Service Company of Oklahoma	Northeast Oklahoma Electric Cooperative, Inc.		Full RQ	

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
39	Amended Agreement for Interchange of Electric Power and Energy between Grand River Dam Authority and Public Service Company of Oklahoma	Public Service Company of Oklahoma	Grand River Dam Authority		Firm TS	until canceled
40	Amended Agreement for Interchange of Electric Power and Energy between Grand River Dam Authority and Public Service Company of Oklahoma	Grand River Dam Authority	Public Service Company of Oklahoma		n/a	until canceled

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
46	Power Supply Agreement between Southwestern Electric Power Co. and Rayburn Country Electric Cooperative	Southwestern Electric Power Company	Rayburn Country		Full RQ	year-to-year

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
56	ELECTRICAL CAPACITY, ENERGY, AND SERVICE SALES AGREEMENT BETWEEN CITIES OF NIXA AND SPRINGFIELD, MISSOURI	City Utilities of Springfield, MO	Nixa, MO		Point To Point	On-going

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
57	AMENDED INTERCHANGE AGREEMENT BY AND AMONG ASSOCIATED ELECTRIC COOPERATIVE, INC., THE EMPIRE DISTRICT ELECTRIC COMPANY, GRAND RIVER DAM AUTHORITY, SOUTHWESTERN ELECTRIC POWER COMPANY, AND BOARD OF PUBLIC UTILITIES OF SPRINGFIELD, MISSOURI FOR THE GRDA COAL PLANT - FLINT CREEK POWER PLANT – BROOKLINE – MORGAN 345 KILOVOLT INTERCONNECTION				Point To Point	On-going

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
58	UNITED STATES DEPARTMENT OF ENERGY SOUTHWESTERN POWER ADMINISTRATION POWER SALES CONTRACT between UNITED STATES OF AMERICA and BOARD OF PUBLIC UTILITIES OF THE CITY OF SPRINGFIELD, MISSOURI	City Utilities of Springfield, MO	Southwestern Power Administration		Point To Point	(Will be extended) On- going

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
62	Transmission Service Contract	Ponca City Utility Authority	Oklahoma Municipal Power Authority		Ponca City Utility Authority agrees to receive power energy not to exceed the Interconnection Capacity.	May be terminated by either party after December 31, 2014, on any December 31st with a 5 year prior written notice to the other party.
63	SPA Transmission Service Contract	Southwestern Power Administration	Oklahoma Municipal Power Authority			Either party can terminate the contract provided they give 30 days notice to the other party.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
68	WTU Transmission Service Agreement	West Texas Utilities	Oklahoma Municipal Power Authority		Transmission for the unit capacity entitlement in Oklaunion Unit No. 1 to the south terminal of the Oklaunion HVDC Tie.	Cessation of Oklaunion Unit No. 1 in terms of ownership or abandon and retirement.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
73	Hydro Peaking Power Purchase contract - Kaw Valley and EDE	Empire District Electric Company	Kaw Valley		Point To Point/NF	3 years after written notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
78	Electric Interchange Agreement - Iatan	Kansas City Power and Light	Empire District Electric Company		Point To Point	year to year

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
83	Southwest Power Administration (SWPA) OATT	Oklahoma Gas and Electric Company	Southwestern Power Administration	FERC Electric Tariff, Second Revised Volume No.2- OATT NSA- SVC Agmnt, NOA- SVC Agmnt	OG&E OATT- Network SVC	Current contract will terminate on 5/31/2014

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
93	Federal	Southwestern Power Administration	Augusta, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None
94	Federal	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	None
95	Federal	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	None
96	Federal	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	None
97	Federal	Arkansas Electric Co-op	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
98	Federal	Arkansas Electric Co-op	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
99	Federal	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	None
100	SPA Pre-OATT Service	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2020 with roll-over rights to SPP Tariff service

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
101	SPA OATT NITSA	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 12/31/2020 with roll-over rights to SPP Tariff service
102	Federal	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	None
103	Federal	Associated Electric	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
104	Federal	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	None
105	Federal	Associated Electric	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
106	SPA OATT NITSA	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 5/31/2020 with roll-over rights to SPP Tariff service
107	SPA Pre-OATT Service	Southwestern Power Administration	Public Service Company of Oklahoma	SPA-214	Pre-Order 888 Service Firm in nature	Through 6/30/2020 with roll-over rights to SPP Tariff service

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
108	SPA Pre-OATT Service	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 2/29/2016. To be converted to Interconnection Facilities Service pursuant to Attachment AD thereafter.
109	Federal	Southwestern Power Administration	Public Service Company of Oklahoma		Pre-Order 888 Service With Redirect Rights Firm in nature	None
110	Federal	Southwestern Power Administration	Anthony, KS		Pre-Order 888 Service With Redirect Rights Firm in nature	None
111	Federal	Southwestern Power Administration	Beauregard		Pre-Order 888 Service With Redirect Rights Firm in nature	None
112	Federal	Southwestern Power Administration	Bentonville, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None
113	Federal	Southwestern Power Administration	Brazos		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
115	Federal	Southwestern Power Administration	Carthage, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
116	SPA Pre-OATT Service	Southwestern Power Administration	Carthage, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2030 with roll-over rights to SPP Tariff service
117	Federal	Carthage, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
118	SPA Pre-OATT Service	Southwestern Power Administration	Sikeston, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2015. To be converted to Interconnection Facilities Service pursuant to Attachment AD thereafter.
119	Federal	Southwestern Power Administration	Fulton, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
120	Federal	Southwestern Power Administration	Claiborne		Pre-Order 888 Service With Redirect Rights Firm in nature	None
121	Federal	Southwestern Power Administration	Clarksville, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None
122	SPA Pre-OATT Service	Southwestern Power Administration	Clarksville, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 5/31/2020 with roll-over rights to SPP Tariff service

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
123	Federal	Southwestern Power Administration	Coffeyville, KS		Pre-Order 888 Service With Redirect Rights Firm in nature	None
124	Federal	Southwestern Power Administration	Comanche, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
125	Federal	Southwestern Power Administration	Concordia		Pre-Order 888 Service With Redirect Rights Firm in nature	None
126	Federal	Southwestern Power Administration	Copan, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
127	Federal	Southwestern Power Administration	Dixie Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	None
128	Federal	Southwestern Power Administration	DOD - McAlester		Pre-Order 888 Service With Redirect Rights Firm in nature	None
129	Federal	Southwestern Power Administration	Duncan, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
130	Federal	Southwestern Power Administration	Eldorado, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
131	Federal	Empire District Electric Company	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
132	Federal	Southwestern Power Administration	Empire District Electric Company		Pre-Order 888 Service With Redirect Rights Firm in nature	None
133	Federal	ES	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
134	SPA Pre-OATT Service	Southwestern Power Administration	ES		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2020. To be converted to Interconnection Facilities Service pursuant to Attachment AD thereafter.
135	Federal	Southwestern Power Administration	Fort Sill, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
136	Federal	Southwestern Power Administration	Goltry, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
137	Federal	Southwestern Power Administration	Granite, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
138	Federal	Grand River Dam Authority	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
139	Federal	Southwestern Power Administration	Grand River Dam Authority		Pre-Order 888 Service With Redirect Rights Firm in nature	None
140	Federal	Grand River Dam Authority	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
141	Federal	Southwestern Power Administration	Grand River Dam Authority		Pre-Order 888 Service With Redirect Rights Firm in nature	None
142	SPA Pre-OATT Service	Southwestern Power Administration	Grand River Dam Authority		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2020. To be converted to Interconnection Facilities Service pursuant to Attachment AD thereafter.
143	SPA Pre-OATT Service	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2020. To be converted to Interconnection Facilities Service pursuant to Attachment AD thereafter

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
144	SPA Pre-OATT Service	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2020. To be converted to Interconnection Facilities Service pursuant to Attachment AD thereafter.
145	Federal	Southwestern Power Administration	Hermann, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
146	Federal	Southwestern Power Administration	Higginsville, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
147	Federal	Southwestern Power Administration	Hominy, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
149	Federal	Southwestern Power Administration	Jefferson Davis		Pre-Order 888 Service With Redirect Rights Firm in nature	None
150	Federal	Southwestern Power Administration	Jonesboro, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
151	Federal	Southwestern Power Administration	Jonesboro, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None
152	Federal	Jonesboro, AR	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
153	Federal	Southwestern Power Administration	Kansas City, KS		Pre-Order 888 Service With Redirect Rights Firm in nature	None
154	Federal	Southwestern Power Administration	Kaw Valley		Pre-Order 888 Service With Redirect Rights Firm in nature	None
155	Federal	Southwestern Power Administration	Kennett, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
156	Federal	Southwestern Power Administration	Kennett, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
157	Federal	Kennett, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
158	Federal	Southwestern Power Administration	Kennett, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
160	Federal	Southwestern Power Administration	KEPCO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
161	Federal	Southwestern Power Administration	KMEA		Pre-Order 888 Service With Redirect Rights Firm in nature	None
162	Federal	Southwestern Power Administration	Lafayette, LA		Pre-Order 888 Service With Redirect Rights Firm in nature	None
163	Federal	Southwestern Power Administration	Lamar, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
164	Federal	Southwestern Power Administration	Louisiana Energy and Power Authority		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
165	Federal	Southwestern Power Administration	Lexington, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
166	Federal	Southwestern Power Administration	Malden, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
167	Federal	Southwestern Power Administration	Malden, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
168	Federal	Malden, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
169	Federal	Southwestern Power Administration	Malden, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
170	Federal	Malden, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
171	SPA Pre-OATT Service	Southwestern Power Administration	Malden, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 5/31/2020 with roll-over rights to SPP Tariff service

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
172	Federal	Southwestern Power Administration	Manitou, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
173	Federal	Southwestern Power Administration	Minden, LA		Pre-Order 888 Service With Redirect Rights Firm in nature	None
174	Federal	Southwestern Power Administration	Natchitoches, LA		Pre-Order 888 Service With Redirect Rights Firm in nature	None
175	Federal	Southwestern Power Administration	Nemaha-Marshall		Pre-Order 888 Service With Redirect Rights Firm in nature	None
176	Federal	Southwestern Power Administration	New Madrid, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
177	SPA Pre-OATT Service	Southwestern Power Administration	New Madrid, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2022 with roll-over rights to SPP Tariff service
178	Federal	Southwestern Power Administration	Nixa, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
179	SPA Pre-OATT Service	Southwestern Power Administration	Nixa, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2015 with roll-over rights to SPP Tariff service
180	Federal	Southwestern Power Administration	Northeast Louisiana		Pre-Order 888 Service With Redirect Rights Firm in nature	None
181	Federal	Southwestern Power Administration	Northeast Texas Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	None
182	Federal	Southwestern Power Administration	Northeast Texas Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	None
183	Federal	Southwestern Power Administration	Northeast Texas Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	None
184	Federal	Northeast Texas Electric Cooperative	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
187	Federal	Southwestern Power Administration	Olustee, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
188	Federal	Southwestern Power Administration	Paragould, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None
189	SPA Pre-OATT Service	Southwestern Power Administration	Paragould, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2038 with roll-over rights to SPP Tariff service
190	Federal	Southwestern Power Administration	Paragould, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None
191	Federal	Paragould, AR	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
192	Federal	Southwestern Power Administration	Paris, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
193	SPA Pre-OATT Service	Southwestern Power Administration	People's		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 12/31/2022 with roll-over rights to SPP Tariff service
194	SPA Pre-OATT Service	Southwestern Power Administration	People's		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 12/31/2019 with roll-over rights to SPP Tariff service
195	Federal	Southwestern Power Administration	Piggott, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None
196	SPA Pre-OATT Service	Southwestern Power Administration	Piggott, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2020 with roll-over rights to SPP Tariff service
197	Federal	Southwestern Power Administration	Piggott, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None
198	Federal	Piggott, AR	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
199	Federal	Southwestern Power Administration	Piggott, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
200	Federal	Piggott, AR	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
201	Federal	Southwestern Power Administration	Pointe Coupee		Pre-Order 888 Service With Redirect Rights Firm in nature	None
202	Federal	Southwestern Power Administration	Poplar Bluff, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
203	Federal	Southwestern Power Administration	Poplar Bluff, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
204	Federal	Poplar Bluff, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
205	SPA Pre-OATT Service	Southwestern Power Administration	Poplar Bluff, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2039 with roll-over rights to SPP Tariff service
206	Federal	Southwestern Power Administration	Purcell, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
207	Federal	Southwestern Power Administration	Rayburn Country		Pre-Order 888 Service With Redirect Rights Firm in nature	None
208	Federal	Southwestern Power Administration	Ryan, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
209	Federal	Southwestern Power Administration	Sam Rayburn Dam EC		Pre-Order 888 Service With Redirect Rights Firm in nature	None
210	Federal	Southwestern Power Administration	Sam Rayburn MPA		Pre-Order 888 Service With Redirect Rights Firm in nature	None
211	Federal	Southwestern Power Administration	Sikeston, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
212	Federal	Southwestern Power Administration	Sikeston, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
213	Federal	Sikeston, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
214	SPA Pre-OATT Service	Southwestern Power Administration	Sikeston, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2015. To be converted to Interconnection Facilities Service pursuant to Attachment AD thereafter.
215	Federal	Southwestern Power Administration	Skiatook, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
216	Federal	Southwestern Power Administration	South Louisiana		Pre-Order 888 Service With Redirect Rights Firm in nature	None
217	Federal	Southwestern Power Administration	Southwest Louisiana		Pre-Order 888 Service With Redirect Rights Firm in nature	None
218	Federal	Southwestern Power Administration	Spiro, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
219	Federal	Southwestern Power Administration	Springfield, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
220	Federal	Southwestern Power Administration	Springfield, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
221	Federal	Springfield, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
223	Federal	Southwestern Power Administration	Tex-La of Texas		Pre-Order 888 Service With Redirect Rights Firm in nature	None
224	Federal	Southwestern Power Administration	Thayer, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
225	Federal	Southwestern Power Administration	Valley		Pre-Order 888 Service With Redirect Rights Firm in nature	None
226	Federal	Southwestern Power Administration	Vance Air Force Base, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
227	Federal	Southwestern Power Administration	Walters, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
228	Federal	Southwestern Power Administration	WAPA		Pre-Order 888 Service With Redirect Rights Firm in nature	None
229	Federal	WAPA	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
230	Federal	Southwestern Power Administration	Washington-St Tammany		Pre-Order 888 Service With Redirect Rights Firm in nature	None
231	Federal	Southwestern Power Administration	West Plains, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
232	Federal	Southwestern Power Administration	Wetumka, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
233	Federal	Southwestern Power Administration	Western Farmers Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	None
234	Federal	Western Farmers Electric Company	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
235	Federal	Southwestern Power Administration	Western Farmers Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	None
236	SPA Pre-OATT Service	Southwestern Power Administration	Western Farmers Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 5/31/2020 with roll-over rights to SPP Tariff service
237	SPA Pre-OATT Service	Southwestern Power Administration	Western Farmers Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 5/31/2020 with roll-over rights to SPP Tariff service
238	Federal	Southwestern Power Administration	Western Farmers Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	None
239	Federal	Southwestern Power Administration	Yale, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
270	Electric Interconnection Agreement	Westar Energy	City of McPherson, Kansas	FERC rate schedule 127 dockets E-7893, ER78-196, ER78-626, ER80-527, ER83-616, ER92-379	Long-term firm service agreement	5/31/2039 & then year to year, (5) years prior written notice.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
299	Agreement Respecting Certain Eastern Kansas Transmission Installations	Kansas Gas and Electric	Empire District Electric Company		Line lease agreement	3 yr prior notice
302	Lease Agreement	Kansas Gas and Electric	Kansas City Power and Light	FERC rate schedule KGE- 160 dockets ER85-386	Line lease; Wolf Creek to LaCygne 345 kV	Year to Year 2 yr prior notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
306	Border Customer Agreement	Westar Energy	BPU-Kansas City, KS		Service to border customers	
307	Electrical Interconnection Agreement	Westar Energy	BPU-Kansas City, KS	FERC rate schedule Western Resources-272 dockets ER94-125	Interconnection	4/26/06 and then year to year 10 yr prior notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
310	Electric Interconnect Contract – Schedule M	Westar Energy	Kansas Gas and Electric	Supplement No. 15 to No. 93 ER83-527 with 32 subsequent dockets	Interconnection	2 yr prior notice
311	Jeffrey Energy Center Transmission Agreement	Westar Energy	Kansas Gas and Electric	254 dockets ER89-485, ER90-235, ER90-300, ER90-478, ER90-500, ER92-29, ER92-239, ER96-1728, ER96-1728	Interconnection	This agreement supports the Joint Ownership of the Jeffrey Energy Center Terminates upon the retirement of the last generating unit in which KGE has an ownership share at the Jeffrey Energy Center or upon the transfer of any or all of KGE's interest in the Jeffrey Energy Center pursuant to the ownership agreement, whichever comes first
312	Electric Interconnection Contract	Westar Energy	Kansas Gas and Electric	FERC rate schedule KGE-93, Western Resources-6	Interconnection Burton & Peabody	Year to Year 3 yr prior notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
313	Interconnection Agreement	Westar Energy	Kansas Gas and Electric	FERC rate schedule KGE-25, Western Resources-9	Interconnection	On-Going 6 months prior notice
314	Transmission Service Agreement	Westar Energy	Midwest Energy, Inc	FERC rate schedule 265 dockets ER93-849, OA96-100	Long-term firm service agreement 60.5 MW @ POR, 60.0 MW @ POD	extends until canceled. Trans Svc Agrmt Ex. A - extended under the provisions of Section 6 Paragraph 6.2 of MWE RS No. 184 - thru 09/30/2013 or approval of CBFR.)

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
317	Electric Interconnection and Interchange Agreement	Westar Energy	Nebraska Public Power District	FERC rate schedule not assigned or filed	Interconnection has not been established	5/1/14 4 yr prior notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
319	Agreement for Sale of Power and Interconnected Operation	Kansas Gas and Electric	Oklahoma Gas and Electric Company	FERC rate schedule OGE-32, KGE-75	Interconnection	On-Going 3 yr prior notice
320	Amended Electric Interconnection Contract	Westar Energy	Omaha Public Power District	FERC rate schedule Western Resources-277 OA97-314	Interconnection	Year to Year 3 yr prior notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
323	Agreement for Interchange of Power and Interconnected Operation	Kansas Gas and Electric	Public Service Company of Oklahoma	FERC rate schedule PSO-161, KGE-97	Interchange	On-Going 3 yr prior notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
326	Jeffrey Energy Center Transmission Agreement	Westar Energy	UtiliCorp United, Inc.'s Missouri Public Service Division	256 dockets ER89-485, ER90-235, ER90-300, ER90-478, ER90-500, ER92-29, ER92-239, ER96-1728, ER96-1728	Interconnection	This agreement supports the Joint Ownership of the Jeffrey Energy Center Terminates upon the retirement of the last generating unit in which UtiliCorp United has an ownership share at the Jeffrey Energy Center or upon the transfer of any or all of UtiliCorp United's interest in the Jeffrey Energy Center pursuant to the ownership agreement, whichever comes first. Up to 8% of the output of the Jeffrey Energy Center plus reassigned amounts. Current year amount is 338 MW.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
327	Jeffrey Energy Center Transmission Agreement	Westar Energy	UtiliCorp United, Inc.'s WestPlains Division Central Telephone	dockets ER89-485, ER90-235, ER90-300, ER90-478, ER90-500, ER92-29, ER92-239, ER96-1728, ER96-1728	Interconnection	This agreement supports the Joint Ownership of the Jeffrey Energy Center Terminates upon the retirement of the last generating unit in which UtiliCorp United has an ownership share at the Jeffrey Energy Center or upon the transfer of any or all of UtiliCorp United's interest in the Jeffrey Energy Center pursuant to the ownership agreement, whichever comes first. Up to 8% of the output of the Jeffrey Energy Center plus reassigned amounts. Current year amount is 338 MW.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
328	Power Interchange Agreement	Kansas Gas and Electric	Utilicorp-MPS	FERC rate schedule MPS-19, KGE-106	Interchange	Year to Year 3 yr prior notice
329	Electric Interchange Agreement	Westar Energy	Utilicorp-MPS	FERC rate schedule MPS-18, Western Resources-84	Interchange	Year to Year 36 mos prior notice
331	Electric Interconnection Agreement	Kansas Gas and Electric	Utilicorp-WPD The Western Light & Telephone Co.	WPE-6, KGE-101	Interconnection	Year to Year 3 yr prior notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
334	Transmission Service Agreement	Kansas City Power & Light	AECI	Firm TS Sch 89 ER94-1101-002	Point to Point	year to year, 18 mo notice
335	Transmission Service Agreement	Kansas City Power & Light	AECI	Firm TS Sch 89 ER94-1101-002	Point to Point	year to year, 18 mo notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
342	Municipal Participation Agreement	Kansas City Power & Light	Baldwin	85 - ER94-1101-002	Point To Point	year to year, 42 mo notice
343	Interchange Agreement (UE)	Kansas City Power & Light	AMRN	104 - ER94-1101-002	Point To Point	year to year, 36 mo notice
344	Municipal Participation Agreement	Kansas City Power & Light	Garnett	78 - ER94-1101-002	Point To Point	year to year, 42 mo notice
345	Municipal Participation Agreement	Kansas City Power & Light	Osawatomie	77 - ER94-1101-002	Point To Point	year to year, 42 mo notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
346	Municipal Participation Agreement	Kansas City Power & Light	Ottawa	90 - ER94-1101-002	Point To Point	year to year, 42 mo notice
347	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	108	Network	year to year, 42 mo notice
348	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	105	Network	year to year, 42 mo notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
353	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	108 - ER96-1225	Point To Point	year to year, 42 mo notice
356	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	77 - ER96-2218	Point To Point	year to year, 42 mo notice
357	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	78 - ER96-2099	Point To Point	year to year, 42 mo notice
358	Municipal Participation Agreement	Kansas City Power & Light	Ottawa	90 - ER94-1101-002	Point To Point	year to year, 42 mo notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
359	Municipal Participation Agreement	Kansas City Power & Light	Osawatomie	77 - ER94-1101-002	Point To Point	year to year, 42 mo notice
360	Municipal Participation Agreement	Kansas City Power & Light	Higginsville	108 - ER94-1101-002	Point To Point	year to year, 42 mo notice
361	Municipal Participation Agreement	Kansas City Power & Light	Garnett	78 - ER94-1101-002	Point To Point	year to year, 42 mo notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
365	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 128 - ER00-1247-000	Point To Point	1/31/2003 - Ongoing per KCPL OATT
366	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 128 - ER00-1247-000	Point To Point	1/31/2007 - Ongoing per KCPL OATT
367	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 128 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT
368	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 130 - ER00-1247-000	Point To Point	1/31/2003 - Ongoing per KCPL OATT
369	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 130 - ER00-1247-000	Point To Point	1/31/2007 - Ongoing per KCPL OATT
370	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 130 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT
371	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 131 - ER00-1247-000	Point To Point	1/31/2003 - Ongoing per KCPL OATT
372	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 131 - ER00-1247-000	Point To Point	1/31/2007 - Ongoing per KCPL OATT
373	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 131 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
374	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 134 - ER00-1247-000	Point To Point	1/31/2003 - Ongoing per KCPL OATT
375	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 134 - ER00-1247-000	Point To Point	1/31/2007 - Ongoing per KCPL OATT
376	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 134 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT
377	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 135 - ER00-1247-000	Point To Point	1/31/2003 - Ongoing per KCPL OATT
378	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 135 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT
379	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 129 - ER00-1247-000	Point To Point	1/31/2003 - Ongoing per KCPL OATT
380	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 129 - ER00-1247-000	Point To Point	1/31/2007 - Ongoing per KCPL OATT
381	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 129 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT
382	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 132 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT
383	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 133 - ER00-1247-000	Point To Point	1/31/2003 - Ongoing per KCPL OATT
384	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 133 - ER00-1247-000	Point To Point	1/31/2007 - Ongoing per KCPL OATT

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
385	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 133 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT
386	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 136 - ER00-1247-000	Point To Point	1/31/2003 - Ongoing per KCPL OATT
387	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 136 - ER00-1247-000	Point To Point	1/31/2007 - Ongoing per KCPL OATT
388	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 136 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
389	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 93 - ER00-1247-000	Point To Point	12/31/2010 - Ongoing per KCPL OATT
391	Municipal Participation Agreement	Kansas City Power & Light	Board of Public Utilities - Kansas City Kansas	54 - ER94-1101-002	Point To Point	year to year, 42 mo notice
392	Electric Interchange Agreement	Kansas City Power & Light	Westar Energy	55 - ER94-1101-002	Point To Point	year to year, 36 mo notice
393	Missouri Interconnection	KCPL		111 - ER94-411		
394	MOKAN Interconnection	KCPL		110 - ER94-411		Term of GPA
395	MPS Multiple Interconnection	KCPL	GMO	58 - ER91-682		year to year, 48 mo notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
397	WC-LaCygne 345kV Line Lease	Westar	KCPL	Westar's KGE 160 - ER91-391		Concurrent with supply
398	Facilities Use Agreement	Responsibility of GMO/KCPL		107 - ER91-41-000		
399	Cooper-Fairport-St. Joseph Interconnection (MINT)	KCPL		107 - ER91-41-000		year to year, 48 mo notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
401	Sched PPA	Westar Energy	Midwest Energy	OASIS:272409- FERC Rate Schedule 265, Docket Nos. ER93-849, OA96- 100	Transmission Service Agreement	extends until canceled. (Trans Svc Agrmt Ex. A - extended under the provisions of Section 6 Paragraph 6.2 of MWE RS No. 184 - thru 09/30/2013 or approval of CBFR.)

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Type	Other
413	Agreement for Interchange of Power & Interconnected Operations Between UtiliCorp United Inc. d/b/a Missouri Public Service and Associated Electric Cooperative, Inc.	Both GMO(formerly UtiliCorp United Inc.) and Associated	Both GMO(formerly UtiliCorp United Inc.) and Associated	60	Long Term, Short Term and Emergency Transmission Service, various capacity and energy (power) services and Exchange Power Interconnections.	Four Years prior written notice		Transmission and Power	Note: The Exchange Power Interconnections provide for power to be supplied from party A to Party B for the other for load that resides in the other parties control area and is treated like Full Requirements load.
414	Contract for Electric Service	GMO	City of Galt	55	Full Requirements	One year advance notice to terminate and two years advance to switch power suppliers		Full Requirements	
415	Contract for Electric Service	GMO	Gilman City	56	Full Requirements	One year advance notice to terminate and two years advance to switch power suppliers		Full Requirements	

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Type
416	Contract for Electric Service	GMO	Liberal	54	Full Requirements	One year advance notice to terminate and two years advance to switch power suppliers		Full Requirements
417	Contract for Electric Service	GMO	Osceola	109	Full Requirements	One year advance notice to terminate and two years advance to switch power suppliers		Full Requirements
418	Contract for Electric Service	GMO	Rich Hill	58	Full Requirements	One year advance notice to terminate and two years advance to switch power suppliers		Full Requirements

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Type	Other
421	Control Area Service	Associated Electric Cooperative, Inc.	UtiliCorp United Inc.		Firm Network	Evaluated annually by AECI, termination allowed upon 12 months written notice to UCU; UCU may terminate with 30 day written notice to AECI.	150	Network	

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Type	Other
424	Electric Sales, Transmission and Service Contract between Centel Corporation and Kansas Electric Power Cooperative, Inc.	Centel Corporation	Kansas Electric Power Cooperative, Inc	71	Network	60 month advance written notice		Transmission	

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Type
445	Cooper-Fairport: St. Joseph Interconnection (MINT)			107-ER91-41-000		Year to year, 48 mo notice		

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Type	Other
457	Interconnection Agreement	Sunflower Electric Power Corporation	Midwest Energy, INC		Network	3 years prior written notice			

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Type	Other
461	Interconnection Agreement	Sunflower Electric Power Corporation	Mid-Kansas			Assessed on a year-to-year basis up to May 31, 2009	100		

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Type	Other
463	Interconnection Agreement	Sunflower Electric Power Corporation	Western Area Power Administration			September 30, 2024	October 221 November 207 December 236 January 228 February 236 March 264 April 255 May 232 June 180 July 285 August 247 September 240		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	OASIS Reference
466	MINT Coordinating Agreement, Cooper - Fairport-St. Joseph Interconnection (MINT) Dated March 5, 1990 and associated agreements	MINT Participants - Responsibility of GMO/KCPL	MINT Participants	N/A	Point to Point Service Rights	Initial term 50 years, extended thereafter on year to year basis, 4 years notice to withdraw	See Transmission Capacity Rights in contract	
467	LES and Associated Electric Cooperative (AECI) Agreement dated October 31, 1996 as amended	LES & AECI	LES & AECI	N/A	Point to point firm reservations of Firm Capacity on MINT Line	Agreement automatically extends each year. One month notice.	50mw 70 mw	#1596 & #1597
468	MINT Transmission Exchange Agreement dated February 15, 1990	LES & NPPD	LES & NPPD	N/A	Exchange of a portion of LES firm capacity rights on MINT Line to NPPD for Point to Point rights on NPPD transmission System	Agreement shall remain in force as long as LES is a participant in the MINT Project (See MINT). No notice provisions	See Transmission Capacity Rights Exchange in Article II & III	

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	OASIS Reference
469	Power Supply and Wheeling Agreement dated January 1, 1999	LES	State of Nebraska	N/A	Point to Point Service- Fixed allocation requirements contract	Agreement will terminate either when State of Nebraska WAPA contract terminates or the date following one year notice whichever is first to occur	1.832 mw	
470	Power Supply and Wheeling Agreement dated January 1, 1999	LES	University of Nebraska-Lincoln	N/A	Point to Point Service-Fixed allocation requirements contract	Agreement will terminate either when UNL WAPA contract terminates or the date following one year notice whichever is first to occur.	19.534 mw	
471	Electric Interconnection and Interchange Agreement dated June 20, 1988 as amended	LES and OPPD	LES and OPPD	N/A	Interconnection and Interchange of Power and Energy Between Systems	Agreement extends to January 1 2040 and thereafter year to year with 5 years written notice		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	OASIS Reference
472	Gerald Gentlemen Station Power Sales Contract	LES	NPPD	N/A	Tranformation Capacity in the LES 345kv West Substation up to 50mw	Agreement expires when Gerald Gentleman removed from commerical operation	Up to 50 mw	
473	Interconnection Agreement dated May 1, 1977 as amended	LES and NPPD	LES and NPPD	N/A	Interconnection and Interchange of Power and Energy Between Systems pursuant to various Service Schedules to the Agreement	Agreement extends 30 years or until all Service Schedules have terminated whichever is last to occur. Thereafter continues with notice requirement of 4 years.		
474	LES OASIS Reservation	LES	LES	N/A	Point to Point Firm Drive In Service for WAPA Purchase Power Contracts to load	2021	59mw 75mw	#1286717 (WAPA Seasonal Firm) #1286716 (WAPA Peaking Firm)

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	OASIS Reference
475	LES OASIS Reservation	LES	LES	N/A	Point to Point Firm Drive in Service for Walter Scott Station to load	2036	105 mw	#575887 #623600 #71115707
476	LES OASIS Reservation	LES	LES	N/A	Point to Point Drive In Service for MBPP Laramie River Station to load	2021	190mw	#1286714 #649944
477	LES OASIS Reservation	LES	LES	N/A	Point to Point Drive In Service for Gerald Gentleman Station to load	2021	109 mw	#1286715
478	LES OASIS Reservation	LES	LES	N/A	Point to Point Drive In Service for Sheldon Station to load	2021	68mw	#1286712

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
479	Electric Interconnection and Interchange Agreement [95-L22-60]	Nebraska Public Power District	MidAmerican Energy Company (IPS)		Transmission Interconnection	1/1/2010 and annual thereafter (4 yr Notice)		
480	Transmission Operating Agmt. [06-L22-15]	Nebraska Public Power District	MidAmerican Energy Company (IPS)		Point to Point Service and Contract Rights	6/30/2009 or MEC participation in CNS or MINT Line (4 Yr Notice)	250	Oasis Reservation # 842306
482	Electric Inteconnection and Interchange Agreement [96-L22-53]	Nebraska Public Power District	Omaha Public Power District		Point to Point Service, Transmission Interconnection and Service Per Parties Rate Schedules	1/1/2005 or contingent on OPPD participation in MINT line	25 15 10	Oasis Reservation # 1294408 1294407 1282819
483	Wind Facility Share Participation Agreement [04-L22-30]	Nebraska Public Power District	Omaha Public Power District		Point to Point Service OPPD responsible for Transmission at Wind Sub delivery point	10/27/2024 Subject to renewals	8 2	Oasis Reservation # 1217482 1217220
484	Interconnection Agreement [96-L22-50], Service Schedule 4	Nebraska Public Power District	City of Lincoln, Ne (LES)		Point to Point Service, Generator Outlet & Contract Delivery (WAPA Peaking)	5/1/2007 or decommission of NPPD's Cooper Nuclear Station	97 75	Oasis Reservation # 178307 178299

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
485	Interconnection Agreement [96-L22-50] Service Schedule 9	Nebraska Public Power District	City of Lincoln, Ne (LES)		Point to Point Service Contract Delivery, (WAPA Firm)	Through term of WAPA contracts	59	Oasis Reservation # 178297
486	Interconnection Agreement [96-L22-50] Service Schedule 10	Nebraska Public Power District	City of Lincoln, Ne (LES)		Contract Rights Exchange for Service (MINT)	Through Term of MINT contract		
487	MINT Rights Exchange Agreement [99-L22-13]	Nebraska Public Power District	City of Lincoln, Ne (LES)		Contract Rights Exchange for Service	Through Term of MINT contract		
488	Interconnection Agreement [96-L22-50] Service Schedule 12	Nebraska Public Power District	City of Lincoln, Ne (LES)		Pre-OATT Point to Point service. Gentleman Station delivery	Agreement terminates with end of Gentleman Station Power Sales Agreement		
489	Gerald Gentleman Station Participation Power Sales Agreement [96-L22-44]	Nebraska Public Power District	City of Lincoln, Ne (LES)		Point to Point Service Contract Rights, BTS Capacity Rights Exchange	Life of Plant	109	Oasis Reservation # 178301
490	Bulk Transmission System Loss Factor Letter Agreement [99-L22-21]	Nebraska Public Power District	City of Lincoln, Ne (LES) / Basin Electric Power Cooperative		BTS Loss Compensation Calculation Procedure	In conjunction with Base Contracts		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
491	Amended and Restated Coordinating Agreement for the Cooper-Fairport-St. Joseph 345 kV Line (MINT) [98-L21-18]	Nebraska Public Power District	Associated Electric Cooperative, Inc./ Kansas City Power & Light/ St. Joseph Light & Power Company/ MidAmerican Energy Company/ Omaha Public Power District/ City of Lincoln, NE		Point to Point Service Interconnection Capacity and Transmission Service	3/4/2040	See capacity rights identified in the contract	Oasis Reservation # 178323 178322 178321 178317
492	Transmission Line Terminal Facilities Agreement [99-L22-12]	Nebraska Public Power District	Omaha Public Power District/ City of Lincoln, NE (LES)/ MidAmerican Energy Company		Use of Cooper MINT Terminal Facilities for deliveries at contract rate	3/4/2040		
493	Electric Interconnect & Interchange Agreement. [96-L22-110]	Nebraska Public Power District	SEC Corporation (Sunflower Electric)		Interconnection	5/1/2006 evergreen thereafter (4 Yr Notice)		
494	Western Nebraska Joint Transmission Agreement [96-L22-83]	Nebraska Public Power District	Tri-State Generation and Transmission Association, Inc.		Network-type Transmission Service	1/1/1994 with annual extensions (5 Yr Notice)	86 30 380	Oasis Reservation # 181655 1254746 1071027

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
495	Agreement for Common Use of Switching Station and Transmission Facilities - Big Springs Tap [95-L21-612]	Nebraska Public Power District	Tri-State Generation and Transmission Association, Inc.		Transmission Capacity Allocation	November 30, 2007 (In process of amending to "Evergreen Term.")		
496	Transmission Service Contract [99-L22-23]	Nebraska Public Power District	Basin Electric Power Cooperative		Point to Point Service Bulk Transmission Service - Contract Rate	12/31/2040	272 190	Oasis Reservation # 520962 178300
497	Agreement for Construction and Joint Use of Substation and Transmission Facilities [94-L21-502]	Nebraska Public Power District	Basin Electric /Rushmore Cooperative /Cherry-Todd Cooperative / LaCreek Electric Association		Network Transmission and SubT service for joint use facilities (Cody - Niobrara)	6/18/2015 or as long as facilities in use.		
498	Agreement for Joint Use of Substation and Transmission Facilities [94-L21-383]	Nebraska Public Power District	Wheat Belt Public Power District		Joint Use of 115/34.5 Substation at Blue Creek	Year to Year, one year notice		
499	Stegall DC Tie Loss Compensation Agreement [99-L22-24]	Nebraska Public Power District	Basin Electric Power Cooperative		Loss procedure of DC Tie interconnection	9/16/2011 subject to renewal		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
500	Loveland Area Projects for Firm Electric Service [96-L22-103]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Rocky Mountain Region)		NPPD Firm Electric Service from the Loveland Area Projects	9/30/2024		
501	Interconnection and Transmission Agreement 87-LAO-200 [96-L22-100]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Rocky Mountain Region)		Point to Point Service Transmission Interconnection and Service	12/31/2019	2 18 1	Oasis Reservation # 1299729 1299689 1299687
502	Electric Power Service 93-BAO-667 [96-L22-60]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region)		Point to Point Service Transmission Interconnection and Service	12/31/2020	64 492	Oasis Reservation # 1282494 1282491
503	Contract For Control Area Regulation Service [00-L22-317]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region)		Control Area Regulation Service provided by WAPA to NPPD	Annual Term, but in no case extend beyond 2021(30 day termination, anytime)		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
504	Contract For Administrative Services [99-L22-64]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / City of Beatrice, Nebraska		NPPD provides control area scheduling service for Beatrice firm service from WAPA	12/31/2020 (termination by one year notice, anytime)		
505	Contract For Bill Crediting Program Arrangements [01-L22-19]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Omaha Tribe of Nebraska / Nebraska Electric G & T Cooperative, Inc. / Burt County Public Power District		Provides Firm Electric Power Benefit to Omaha Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
506	Contract For Bill Crediting Program Arrangements [00-L22-305]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Santee Sioux Tribe of Nebraska / Nebraska Electric G & T Cooperative, Inc. / North Central Public Power District		Provides Firm Electric Power Benefit to Santee Sioux Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)		
507	Contract For Bill Crediting Program Arrangements [01-L22-20]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Oglala Sioux Tribe of Nebraska		Provides Firm Electric Power Benefit to Oglala Sioux Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
508	Contract For Bill Crediting Program Arrangements [01-L22-21]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Winnebago Tribe of Nebraska / Nebraska Electric G & T Cooperative, Inc. / Burt County Public Power District		Provides Firm Electric Power Benefit to Winnebago Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)		
509	Contract For Bill Crediting Program Arrangements [01-L22-22]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Winnebago Tribe of Nebraska		Provides Firm Electric Power Benefit to Winnebago Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
510	Contract For Bill Crediting Program Arrangements [01-L22-23]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Winnebago Tribe of Nebraska / Nebraska Electric G & T Cooperative, Inc. / Northeast Nebraska Public Power District		Provides Firm Electric Power Benefit to Winnebago Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)		
511	Transmission Service Agreement [06-L22-1]	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point Service Transmission Service	12/31/2015	25 25	Oasis Reservation # 1282761 1282760
512	Network Transmission Service Agrmt [06-L22-2]	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Network Firm Transmission Service	12/31/2015		
513	Lincoln Delivery Agreement [03-L22-9]	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Bulk Transmission Service for share of Laramie River (sale from LES)	2/28/2026		
514	Wind Facility Share Participation Agreement [04-L22-31]	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point Service MEAN responsible for Transmission at Wind Sub delivery point	10/27/2024 renewals possible	7	Oasis Reservation # 992887

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
517	Electric Interconnection and Interchange Agreement [94-L22-10]	Nebraska Public Power District	City of Grand Island, Nebraska		Point to Point Service Transmission Interconnection Service	1/1/2005, yearly thereafter (4 Yr Notice)	9	Oasis Reservation # 662099
518	230/115 Transformer Replacement Agreement [99-L22-83]	Nebraska Public Power District	City of Grand Island, Nebraska		Transmission Credit for Capital Improvement, T-2 specific	12/31/2020		
519	Joint Reporting Agreement [02-L20-119]	Nebraska Public Power District	City of Grand Island, Nebraska		Joint Load & Capability Reporting to MRO	5/31/2004, yearly thereafter (6 months notice)		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
520	Wind Facility Share Participation Agreement [04-L22-45]	Nebraska Public Power District	City of Grand Island, Nebraska		Point to Point Service G.I. responsible for Transmission at Wind Sub delivery point	11/22/2024 renewals possible	1	Oasis Reservation # 990218
521	Interconnection and Interchange Agreement [94-L22-11]	Nebraska Public Power District	City of Hastings, Nebraska		Point to Point Service Transmission Interconnection Service	3/31/2009, yearly thereafter (6 Mo. Notice)	13	Oasis Reservation # 224052
522	Mutual Emergency Energy Agreement [04-L20-195]	Nebraska Public Power District	City of Hastings, Nebraska		Reciprocal interchange of emergency energy as needed	6/14/2009 (6 mo anytime notice)		
523	Whelan Energy Center 2 Transmission Facilities Agreement [07-L22-130]	Nebraska Public Power District	Public Power Generating Agency / City of Hastings, NE		Transmission Credit for facility costs	Until all obligations fulfilled, including crediting obligations		
524	Mission - St. Francis - Valentine 115 KV Transmission Line Agreement [04-L21-14]	Nebraska Public Power District	Cherry-Todd Electric Cooperative / Nebraska Electric Generation and Transmission Cooperative, Inc.		Transmission Service	8/23/2012, and thereafter as long as line in service		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
525	Interconnection Agreement [03-L20-106]	Nebraska Public Power District	Cherry-Todd Electric Cooperative / Nebraska Electric Generation and Transmission Cooperative, Inc.		Transmission Interconnection and Service	Continues until terminated, (12 Mo. Notice).		
526	Participation and Cost Sharing Agreement (Springview Wind Facility) [04-L21-15]	Nebraska Public Power District	Auburn, NE/ Grand Island, NE/ KBR Rural Public Power District/ Lincoln, NE/ Municipal Energy Agency of NE		Transmission Service under T-2 Rate	5/7/2018 (participant termination 4 Yr. Notice)		
527	Facilities Modifications and Construction Agreement for Cooper South Flowgate Upgrades [06-L22-22]	Nebraska Public Power District	Aquila, Inc./ MidAmerican Energy Company/ Omaha Public Power District		Transmission Capacity Rights established.	Through completion of project and all final payments made		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
529	Kingsley Project Power Sales Agreement [95-L21-121 and 122]	Nebraska Public Power District	Central Nebraska Public Power and Irrigation District		NPPD purchase of Hydro output / Transmission Capacity Rights	Bonds Paid or Retirement of Plant, the later		
530	Loss Replacement Agreement [96-L22-64], (Part of Power Interference Agreement)	Nebraska Public Power District	Loup River Public Power District / Bureau of Reclamation / Western Area Power Administration		Point to Point Service Loss compensation to NPPD for delivery to Loup due to water diversion at North Loup Reclamation	On or Before Year 2020	15	Oasis Reservation # 1282493
531	Reservation 79207350 for NPPD's transmission rights under the MINT Line Agreement previously represented under reservation 809481 as Cooper Nuclear Station Unit Participation Agreement [03-L21-75]	Nebraska Public Power District	Nebraska Public Power District		Point to Point Service to AQN from CNS / Transmission Service	5/01/2040	57	Oasis Reservation # 79207350
533	Generator Interconnection Agreement [08-L22-98]	Nebraska Public Power District	Elkhorn Ridge Wind, LLC		Generator Interconnection Service on NPPD Transmission System	12 Month termination notice or contract terms		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
534	Wholesale Power Contract	Nebraska Public Power District	Sutton 94-L22-71		Full Requirements Wholesale Power contract	Through 4-10-15; year to year thereafter; 5 yrs notice.		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
535	Wholesale Power Contract	Nebraska Public Power District	Snyder 94-L22-67		Full Requirements Wholesale Power contract	Through at least 5-31-12, but no longer than 5-31-16; one year notice.		
536	Wholesale Power Contract	Nebraska Public Power District	Hemingford 94-L22-48		Full Requirements Wholesale Power contract	Through 10-31-18; year to year thereafter; 5 yrs notice.		
537	Wholesale Power Contract	Nebraska Public Power District	Neligh 00-L22-10		Full Requirements Wholesale Power contract	Through 3-31-10, no rolling term; one year notice by Customer prior to terminate prior to 3-31-10. Will offer then-current WPC after 3-31-10.		
538	Wholesale Power Contract	Nebraska Public Power District	Arapahoe 94-L22-26		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
539	Wholesale Power Contract	Nebraska Public Power District	Auburn 01-L22-11		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
540	Wholesale Power Contract	Nebraska Public Power District	Battle Creek 94-L22-27		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
541	Wholesale Power Contract	Nebraska Public Power District	Beatrice 94-L22-29		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
542	Wholesale Power Contract	Nebraska Public Power District	Bradshaw 94-L22-30		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
543	Wholesale Power Contract	Nebraska Public Power District	Brainard 94-L22-31		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
544	Wholesale Power Contract	Nebraska Public Power District	Central City 94-L22-32		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
545	Wholesale Power Contract	Nebraska Public Power District	Chester 94-L22-34		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
546	Wholesale Power Contract	Nebraska Public Power District	Cozad 94-L22-35		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
547	Wholesale Power Contract	Nebraska Public Power District	Davenport 94-L22-36		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
548	Wholesale Power Contract	Nebraska Public Power District	David City 94-L22-37		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
549	Wholesale Power Contract	Nebraska Public Power District	Deshler 01-L22-9		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
550	Wholesale Power Contract	Nebraska Public Power District	DeWitt 94-L22-38		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
551	Wholesale Power Contract	Nebraska Public Power District	Dorchester 94-L22-39		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
552	Wholesale Power Contract	Nebraska Public Power District	Edgar 94-L22-40		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
553	Wholesale Power Contract	Nebraska Public Power District	Fairmont 94-L22-41		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
554	Wholesale Power Contract	Nebraska Public Power District	Friend 94-L22-42		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
555	Wholesale Power Contract	Nebraska Public Power District	Giltner 94-L22-44		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
556	Wholesale Power Contract	Nebraska Public Power District	Gothenburg 94-L22-45		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
557	Wholesale Power Contract	Nebraska Public Power District	Hampton 94-L22-46		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
558	Wholesale Power Contract	Nebraska Public Power District	Hebron 94-L22-47		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
559	Wholesale Power Contract	Nebraska Public Power District	Hildreth 94-L22-49		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
560	Wholesale Power Contract	Nebraska Public Power District	Holdrege 94-L22-50		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
561	Wholesale Power Contract	Nebraska Public Power District	Lexington 94-L22-51		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
562	Wholesale Power Contract	Nebraska Public Power District	Lodgepole 94-L22-52		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
563	Wholesale Power Contract	Nebraska Public Power District	Lyons 94-L22-54		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
564	Wholesale Power Contract	Nebraska Public Power District	Madison 94-L22-55		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
565	Wholesale Power Contract	Nebraska Public Power District	Minden 94-L22-56		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
566	Wholesale Power Contract	Nebraska Public Power District	Nelson 94-L22-58		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
567	Wholesale Power Contract	Nebraska Public Power District	North Platte 94-L22-60		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
568	Wholesale Power Contract	Nebraska Public Power District	Ord 94-L22-61		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
569	Wholesale Power Contract	Nebraska Public Power District	Polk 94-L22-62		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
570	Wholesale Power Contract	Nebraska Public Power District	Prague 94-L22-63		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
571	Wholesale Power Contract	Nebraska Public Power District	Randolph 94-L22-64		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
572	Wholesale Power Contract	Nebraska Public Power District	Scribner 94-L22-65		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
573	Wholesale Power Contract	Nebraska Public Power District	Seward 94-L22-66		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
574	Wholesale Power Contract	Nebraska Public Power District	South Sioux City 94-L22-68		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
575	Wholesale Power Contract	Nebraska Public Power District	Summerfield, KS 94-L22-69		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
576	Wholesale Power Contract	Nebraska Public Power District	Superior 94-L22-70		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
577	Wholesale Power Contract	Nebraska Public Power District	Valentine 94-L22-72		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
578	Wholesale Power Contract	Nebraska Public Power District	Wahoo 01-L22-14		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
579	Wholesale Power Contract	Nebraska Public Power District	Wakefield 94-L22-73		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
580	Wholesale Power Contract	Nebraska Public Power District	Walthill 94-L22-74		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
581	Wholesale Power Contract	Nebraska Public Power District	Wauneta 94-L22-75		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
582	Wholesale Power Contract	Nebraska Public Power District	Wayne 94-L22-76		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
583	Wholesale Power Contract	Nebraska Public Power District	Webber, KS 94-L22-77		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
584	Wholesale Power Contract	Nebraska Public Power District	Wilcox 94-L22-78		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
585	Wholesale Power Contract	Nebraska Public Power District	Wymore 94-L22-79		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
586	Wholesale Power Contract	Nebraska Public Power District	Nebraska Electric G&T 96-L22-52		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
587	Wholesale Power Contract	Nebraska Public Power District	Norris PPD 94-L22-59		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
588	Wholesale Power Contract	Nebraska Public Power District	Southern PD 01-L22-25		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
589	Wholesale Power Contract	Nebraska Public Power District	Loup River PPD 05-L22-13		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
591	Oasis Transaction	Nebraska Public Power District	Omaha Public Power District		Point to Point	1/1/2023	12	Oasis Reservation # 1294460
592	Oasis Transaction	Nebraska Public Power District	Omaha Public Power District		Point to Point	1/1/2023	9	Oasis Reservation # 1294162
593	Oasis Transaction	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point	1/1/2021	23	Oasis Reservation # 1282495
594	Oasis Transaction	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point	1/1/2017	10	Oasis Reservation # 1063385
595	Oasis Transaction	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point	12/31/2014	7	Oasis Reservation # 910527
596	Oasis Transaction	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point	1/1/2015	2	Oasis Reservation # 883396

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
597	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	1/1/2021	4	Oasis Reservation # 192864
598	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	1/1/2021	3	Oasis Reservation # 191293
599	Oasis Transaction	Nebraska Public Power District	Lincoln Electric System		Point to Point	1/1/2021	68	Oasis Reservation # 178304
601	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	6/1/2029	150	Oasis Reservation # 1282622
602	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	6/1/2029	25	Oasis Reservation # 1282619
603	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	5/1/2029	30	Oasis Reservation # 784417
604	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power Marketing		Point to Point	5/1/2029	3	Oasis Reservation # 72190701
605	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	1/1/2025	4	Oasis Reservation # 345442

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
606	NPPD Professional Retail Operations Service Agreements and Service Area Agreements	Nebraska Public Power District	Nebraska Public Power District		Full Requirements Wholesale contract, Firm Network Service, Distribution Services	Various Termination Dates Ranging From 12-31-14 to 7-1-32 With Renewal Rights		NPPD has PRO-Service Agreements with 81 Nebraska Municipals

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	Termination Provisions
607	Service Agreement and OASIS Reservation	1587762	OPPD	Central MN Muni Pwr Assn		Point-to-Point	5/1/2019
608	Service Agreement and OASIS Reservation	1587761	OPPD	Central MN Muni Pwr Assn		Point-to-Point	5/1/2019
609	Service Agreement and OASIS Reservation	1589101	OPPD	Independence, MO		Point-to-Point	5/1/2034
612	Service Agreement and OASIS Reservation	1585194	OPPD	Lincoln Electric System		Point-to-Point	5/1/2036
613	Service Agreement and OASIS Reservation	1585195	OPPD	Lincoln Electric System		Point-to-Point	5/1/2036
614	Service Agreement and OASIS Reservation	1585192	OPPD	Lincoln Electric System		Point-to-Point	3/1/2036
615	Nebraska City Unit 2 Transmission Facilities Cost Agreement		OPPD	NPPD, Independence, MO, Central Minnesota Municipal Power Agency, Falls City, Grand Island, Missouri Joint Muni Electric Utility Commission, Nebraska City		Planning and facilities cost arrangement	Until payment and crediting obligations are satisfied
616	Service Agreement and OASIS Reservation	1588942	OPPD	Missouri Joint Municipal Electric Utility Commission		Point-to-Point	6/1/2029
617	Electric Interconnection and Interchange Agreement	Plattsmouth, Verden, Nehawaka	OPPD	NPPD		Interconnection & Point-to-Point	Pre-OATT. Effective until cancelled w/ 4-yr notice

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	Termination Provisions
618	Amended and Restated Coordinating Agreement (MINT) & OASIS		OPPD	Associated Electric, Kansas City Power & Light, Aquila, NPPD, OPPD, LES, MidAmerican Energy		Joint ownership & Point-to-Point	Pre-OATT. Effective through 2040. Thereafter cancellable by any party w/ 4-yr notice
619	OASIS Reservation	1585185	OPPD	NPPD		Point-to-Point	1/1/2023
620	OASIS Reservation	1585186	OPPD	NPPD		Point-to-Point	1/1/2023
621	OASIS Reservation	1585627	OPPD	NPPD		Point-to-Point	6/1/2029
622	OASIS Reservation	1585630	OPPD	NPPD		Point-to-Point	6/1/2029
623	Service Agreement and OASIS Reservation	1585621	OPPD	NPPD		Point-to-Point	5/1/2029
624	Service Agreement and OASIS Reservation	1589750	OPPD	NPPD		Point-to-Point	5/1/2029
625	OASIS Reservation	1585595	OPPD	Falls City		Point-to-Point	5/1/2036
626	OASIS Reservation	1585604	OPPD	Nebraska City		Point-to-Point	5/1/2036

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	Termination Provisions
638	OASIS Reservation	1585214	OPPD	OPPD		Point-to-Point	4/1/2015
639	OASIS Reservation	1585219	OPPD	OPPD		Point-to-Point	4/1/2015
640	OASIS Reservation	73224364	OPPD	OPPD		Point-to-Point	4/1/2040
641	OASIS Reservation	1584795	OPPD	OPPD		Point-to-Point	9/9/2020
642	OASIS Reservation	1584797	OPPD	OPPD		Point-to-Point	9/9/2020
643	OASIS Reservation	1585174	OPPD	OPPD		Point-to-Point	1/1/2021
644	OASIS Reservation	1585182	OPPD	OPPD		Point-to-Point	9/1/2025
645	OASIS Reservation	1585607	OPPD	OPPD		Point-to-Point	9/1/2029
646	OASIS Reservation	1585605	OPPD	OPPD		Point-to-Point	9/1/2029
647	OASIS Reservation	1585606	OPPD	OPPD		Point-to-Point	9/1/2029

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	OASIS Reference
650	LES OASIS Reservation	LES	LES	N/A	Point to Point Firm Service	1/1/2030	50MW	72914267
652	LES OASIS Reservation Bloomfield Wind Turbines Purchase (LES_ELKHORN_WT)	LES	LES	N/A	Point to Point Firm Service	1/1/2029	6 MW	72403386

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	OASIS Reference
654	LES OASIS Reservation	LES	LES	N/A	Point to Point Firm Service	1/1/2035	24 MW	72977186
655	LES OASIS Reservation	LES	LES	N/A	Point to Point Firm Service	1/1/2035	20MW	72977175
656	Bulk Transmission System Loss Factor Agreement (NPPD and LES)	LES	LES	N/A	Return of BTS Losses from LES to NPPD according to BTS Loss Compensation Calculation Procedure	Term and Amount varies with LES & NPPD Transmission and Power Supply Contracts termination dates	15 MW	1589036

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
657	Transmission Service Agreement Between Nebraska Public Power District and City of Deshler, Nebraska	Nebraska Public Power District	City of Deshler		Network Service	Co-Term with City's WAPA Allocation Contract		
658	Transmission Service Agreement Between Nebraska Public Power District and City of Emerson , Nebraska	Nebraska Public Power District	City of Emerson		Network Service	Co-Term with City's WAPA Allocation Contract		
659	Transmission Service Agreement Between Nebraska Public Power District and City of Laurel, Nebraska	Nebraska Public Power District	City of Laurel		Network Service	Co-Term with City's WAPA Allocation Contract		
660	Transmission Service Agreement Between Nebraska Public Power District and City of Madison, Nebraska	Nebraska Public Power District	City of Madison		Network Service	Co-Term with City's WAPA Allocation Contract		
661	Transmission Service Agreement Between Nebraska Public Power District and City of Mullen, Nebraska	Nebraska Public Power District	City of Mullen		Network Service	Co-Term with City's WAPA Allocation Contract		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
662	Transmission Service Agreement Between Nebraska Public Power District and City of Neligh, Nebraska	Nebraska Public Power District	City of Neligh		Network Service	Co-Term with City's WAPA Allocation Contract		
663	Transmission Service Agreement Between Nebraska Public Power District and City of Randolph, Nebraska	Nebraska Public Power District	City of Randolph		Network Service	Co-Term with City's WAPA Allocation Contract		
664	Transmission Service Agreement Between Nebraska Public Power District and City of Schuyler, Nebraska	Nebraska Public Power District	City of Schuyler		Network Service	Co-Term with City's WAPA Allocation Contract		
665	Transmission Service Agreement Between Nebraska Public Power District and City of South Sioux City, Nebraska	Nebraska Public Power District	City of South Sioux City		Network Service	Co-Term with City's WAPA Allocation Contract		
666	Transmission Service Agreement Between Nebraska Public Power District and City of Wahoo, Nebraska	Nebraska Public Power District	City of Wahoo		Network Service	Co-Term with City's WAPA Allocation Contract		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
667	Transmission Service Agreement Between Nebraska Public Power District and City of Wakefield, Nebraska	Nebraska Public Power District	City of Wakefield		Network Service	Co-Term with City's WAPA Allocation Contract		
668	Transmission Service Agreement Between Nebraska Public Power District and City of Wilber, Nebraska	Nebraska Public Power District	City of Wilber		Network Service	Co-Term with City's WAPA Allocation Contract		
669	Generator Interconnection Agreement Between Community Wind Energy Transmission, LLC and Nebraska Public Power District	Nebraska Public Power District	Community Wind Energy Transmission, LLC		Generator Interconnection	Until Terminated		
670	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		80	Oasis Reservation # 1298924
671	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point		15	Oasis Reservation # 1299178

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
672	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		35	Oasis Reservation # 1299182
673	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		10	Oasis Reservation # 1299186
674	HCPD Participation in WEC2 (NPPD.HCPD.WEC2 to WAUE.HCPD.NTWK)	Nebraska Public Power District	HCPD		80 MW NPPD Monthly Firm PTP	Through 12/31/2031 with rollover provisions thereafter	80	Oasis Reservation # 1587829
675	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point		81	Oasis Reservation # 71792232
676	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point		42	Oasis Reservation # 71792980

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
677	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point		71	Oasis Reservation # 72062051
678	Oasis Transaction	Nebraska Public Power District	Lincoln Electric System		Point to Point		6	Oasis Reservation # 72403321
679	Oasis Transaction	Nebraska Public Power District	Omaha Public Power District		Point to Point		25	Oasis Reservation # 72426676
680	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		4	Oasis Reservation # 72426730
681	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		8	Oasis Reservation # 72426734

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
682	Oasis Transaction	Nebraska Public Power District	GrandIsland		Point to Point		1	Oasis Reservation # 72441570
683	Oasis Transaction	Omaha Public Power District	Nebraska Public Power District		Point to Point		175	Oasis Reservation # 72589960
685	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		50	Oasis Reservation # 72672357

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
688	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point		80	Oasis Reservation # 72797870
690	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point		65	Oasis Reservation # 72830114

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
693	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point		106	Oasis Reservation # 72970088
694	Oasis Transaction	Nebraska Public Power District	Lincoln Electric System		Point to Point		47	Oasis Reservation 72979719
695	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		20	Oasis Reservation SPP# 1589027
696	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		20	Oasis Reservation SPP# 1589028

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
697	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		55	Oasis Reservation SPP# 1589029
698	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		95	Oasis Reservation SPP# 1589031
699	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		16	Oasis Reservation SPP# 1589034
700	Oasis Transaction	Nebraska Public Power District	Lincoln Electric System		Point to Point		15	Oasis Reservation SPP# 1589037
701	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		10	Oasis Reservation SPP# 1589038

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	Termination Provisions
704	OASIS Reservation	1585179	OPPD	OPPD		Yearly Network	1/1/2037
705	OASIS Reservation	1585180	OPPD	OPPD		Yearly Network	1/1/2037
706	OASIS Reservation	1585225	OPPD	OPPD		Monthly Point-to-Point	1/1/2040
707	OASIS Reservation	1585243	OPPD	OPPD		Monthly Point-to-Point	1/1/2040
708	OASIS Reservation	1585244	OPPD	OPPD		Yearly Network	1/1/2037
709	OASIS Reservation	1585245	OPPD	OPPD		Yearly Network	1/1/2037

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	Termination Provisions
712	OASIS Reservation	1585567	OPPD	OPPD/Nebraska City Utilities		Yearly Point-to-Point	5/1/2014
713	OASIS Reservation	1585574	OPPD	OPPD		Monthly Point-to-Point	1/1/2040
714	OASIS Reservation	1585576	OPPD	OPPD		Monthly Point-to-Point	1/1/2029
715	OASIS Reservation	1585579	OPPD	OPPD		Monthly Point-to-Point	1/1/2030
716	OASIS Reservation	1585588	OPPD	OPPD		Yearly Network	1/1/2037
718	OASIS Reservation	1588958	OPPD	OPPD		Monthly Point-to-Point	1/1/2040
719	OASIS Reservation	1588959	OPPD	OPPD		Monthly Point-to-Point	1/1/2040

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	Termination Provisions
722	OASIS Reservation	1589060	OPPD	OPPD		Monthly Point-to-Point	1/1/2040
725	Service Agreement and OASIS Reservation	1589102	OPPD	Independence, MO		Monthly Point-to-Point	1/1/2040
727	Service Agreement and OASIS Reservation	1589110	OPPD	Municipal Energy Agency of Nebraska		Monthly Point-to-Point	1/1/2031
728	OASIS Reservation	1594743	OPPD	OPPD		Monthly Point-to-Point	4/1/2040
729	OASIS Reservation	1594744	OPPD	OPPD		Monthly Point-to-Point	4/1/2040
730	OASIS Reservation	1594748	OPPD	OPPD		Monthly Point-to-Point	9/1/2040
732	OASIS Reservation	73224372	OPPD	OPPD/Falls City		Yearly Point-to-Point	5/1/2036

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	Termination Provisions
733	Joint Operating Agreement	1256070	SPS/PSCo	PSCo/SPS	FERC Orders in Docket Nos. EC96-2, ER96-2572-000, EC99-101-000, ER04-1174-000 et al., and ER-08-313-000, et al.	Transmission Service implementing the Xcel Energy Operating Companies' Joint Operating Agreement	None
734	Network Integration Transmission Service Agreement	1089911	SPS	Municipal Energy Agency of Nebraska	FERC orders in Docket Nos. ER04-1174-000 et al. and ER08-313-000, et al.	Network Integration Transmission Service	Through June 1, 2020 with rollover provisions thereafter

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)
735	Generator Interconnection Agreement (GIA) Entered Into By Lea County Electric Cooperative, Inc. and LCEC Generation, LLC	Lea County Electric Cooperative, Inc.	LCEC Generation, LLC		Generator Interconnection	Until Terminated	
736	Generator Interconnection Agreement (GIA) Entered Into By Lea County Electric Cooperative, Inc. and Wild Cat Wind LLC	Lea County Electric Cooperative, Inc.	LCEC Generation, LLC		Generator Interconnection	Until Terminated	

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
737	City of Coffeyville	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
738	WFEC/BANK	Western Farmers Electric Company	Western Farmers Electric Company		Point To Point	Through 1/1/2035 with rollover provisions thereafter
739	WFEC/BANK	Western Farmers Electric Company	Western Farmers Electric Company		Point To Point	Through 1/1/2035 with rollover provisions thereafter
740	Interchange Agreement (AmerenUE)	Kansas City Power & Light	AMRN	104, Supp. No. 5 to Sched. G	Point To Point	Year to year, 30 mo. Notice
741	Electric Service Contract with Montana-Dakota Utilities Co. (MDU)	WAPA	MDU		Transmission Service	December 31, 2015
742	Contract for Electric Service to Minnkota Electric Power Cooperative (Minnkota)	WAPA	Minnkota		Transmission Service	December 31, 2020
743	Interconnection and Common Use Agreement	Basin Electric Power Cooperative	Montana-Dakota Utilities, Inc.		Interconnection and Transmission Cost Sharing	Until Terminated

1.1 Definitions F

Federal Service Exemption (“FSE”)

As defined in Section 1 of the Tariff.

Firm Point-To-Point Auction Revenue Right Nomination Cap

The maximum total amount of Firm Point-To-Point Candidate Auction Revenue Rights that an Eligible Entity may nominate in each month and season in the annual Auction Revenue Right allocation process and the monthly Auction Revenue Right allocation process.

Firm Point-To-Point Candidate Auction Revenue Right

All or portion of the Megawatt quantity of a confirmed Firm Point-To-Point Transmission Service reservation which the holder of the Transmission Service reservation can nominate for conversion into an Auction Revenue Right in the Auction Revenue Right allocation process.

Firm Point-To-Point Candidate Long-Term Congestion Right

The Megawatt quantity of a confirmed Firm Point-To-Point Transmission Service reservation with rollover rights that is used by the Transmission Provider to determine available rights which the holder of the Transmission Service reservation can select for conversion into a Long-Term Congestion Right in the Long-Term Congestion Right allocation process.

Firm Point-To-Point Transmission Service

As defined in Section 1 of the Tariff.

Floor-room

The reduction in committed capacity required below the average load for the hour due to the uncertainty of the real-time instantaneous load, hourly load forecast and Variable Energy Resource output.

FSE Schedule

A schedule entered by Western-UGP for administering the FSE.

FSE Transfer Point

A Settlement Location established by the Transmission Provider that represents the FSE energy ownership transfer from Western-UGP to a Market Participant external to the UMZ and internal to the SPP market. This interface is between the UMZ and the other Zones.

2.2 Application and Asset Registration

- (1) Applications for a Market Participant to provide services in the Integrated Marketplace must be submitted to the Transmission Provider prior to the expected date of participation consistent with Section 6.4 of the Market Protocols. Applications must conform to the procedures specified in the Market Protocols and may be rejected if not complete. New Market Participants will follow the timeframe as specified in Section 6.4 of the Market Protocols in addition to the detailed model update timing requirements in Appendix E of the Market Protocols.
- (2) As part of the application process, Market Participants must register all Resources and load, including applicable load associated with Grandfathered Agreements (“GFAs”), Non-Conforming Load and Demand Response Load with the Transmission Provider in accordance with the registration process specified in the Market Protocols. As part of Resource registration, Market Participants must specify whether settlement meter data will be submitted on a gross basis or net basis, where gross meter data does not include reductions for auxiliary load and net meter data is gross meter data reduced by auxiliary load. Both Non-Conforming Load and Demand Response Load may only be associated with a single Price Node except that Non-Conforming Load and Demand Response Load may be associated with an aggregated Price Node that contains multiple electrically equivalent Price Nodes. Non-participating embedded load and/or generation must either: (i) register its load and/or generation in the Integrated Marketplace; or (ii) transfer its load and/or generation to an external Balancing Authority.
- (3) Market Participants may elect to define a single Settlement Location that aggregates multiple Meter Data Submittal Locations associated with their load assets. Market Participants may not aggregate multiple Resource Meter Data Submittal Locations into a single Resource Settlement Location unless the Resources are at the same physical and electrically equivalent injection point to the Transmission System.

- (4) In addition to the responsibilities described in Section 4.1.2 of this Attachment AE and under the Market Protocols, Market Participants wishing to model each participant's share of a Jointly Owned Unit as a separate Resource must choose one of the two options described below and provide the specified additional information. A Resource registered as a combined cycle Resource may not register as a Jointly Owned Unit.

(a) Individual Resource Option

Under the individual Resource option, each participant's share is modeled as a separate Resource for the purposes of commitment and dispatch and each Resource may be committed independent of the other Resource shares. In order to qualify for this option, each Market Participant must register its share and certify that it is greater than or equal to the minimum physical capacity operating limit of the physical Jointly Owned Unit.

The operating owner's Meter Agent will be the Meter Agent for that Jointly Owned Unit unless each individual Jointly Owned Unit participant registers a Meter Agent for its share of the Resource.

Unless otherwise agreed to by the Jointly Owned Unit participants, the operating owner will be responsible for submitting the following data:

- Jointly Owned Unit maximum physical capacity operating limit;
- Jointly Owned Unit minimum physical capacity operating limit; and
- Maximum physical ten (10) minute response from an off-line state.

(b) Combined Resource Option

Under the combined Resource option each participant's share is modeled and must be registered as a separate Resource. Under this option, the commitment decision is made assuming that all Resource shares must be committed or none at all. Once committed, each share is dispatched independently. This option must be selected if the eligibility criteria stated under the individual Resource option cannot be met.

The operating owner's Meter Agent will be the Meter Agent for that Jointly Owned Unit unless each individual Jointly Owned Unit participant registers a Meter Agent for its share of the Resource.

Unless otherwise agreed to by the Jointly Owned Unit participants, the operating owner will be responsible for submitting the following data:

- Jointly Owned Unit maximum physical capacity operating limit;
 - Jointly Owned Unit minimum physical capacity operating limit;
 - Maximum physical ten (10) minute response from an off-line state; and
 - Participant share percentage by Market Participant.
- (5) Market Participants may modify their registered assets in accordance with the asset registration procedures specified in the Market Protocols.
- (6) All loads and all Resources, excluding Behind-The-Meter Generation less than 10 Megawatts ("MWs"), must register. Failure or refusal to register a Resource will result in the Transmission Provider filing an unexecuted version of the service agreement as specified in Attachment AH of this Tariff for that Resource with the Commission under the name of the generation interconnection customer under an interconnection agreement with the Transmission Provider or the applicable Transmission Owner. In the case of a Qualifying Facility exercising its rights under PURPA to deliver all of its net output to its host utility, such registration will not require the Qualifying Facility to participate in the Energy and Operating Reserve Markets or subject the Qualifying Facility to any charges or payments related to the Energy and Operating Reserve Markets. Any Energy and Operating Reserve Market charges or payments associated with the output of the Qualifying Facility will be allocated to the Market Participant representing the host utility purchasing the output of the Qualifying Facility under PURPA, and the Market Participant will be provided the settlement data required to verify the settlement charges and payments.

- (7) A Market Participant wishing to Offer an External Resource in the Energy and Operating Reserve Markets will utilize an External Resource Pseudo-Tie in accordance with Attachment AO. In addition to the responsibilities outlined in Attachment AO, the Market Participant registering the External Resource will be responsible for registering and performing all responsibilities that are required of Resources in the Energy and Operating Reserve Markets.
- (8) A Market Participant wishing to offer Demand Response Load as a Demand Response Resource in the Energy and Operating Reserve Markets must include in its application and registration a certification that participation in the Energy and Operating Reserve Markets by its Demand Response Resource is not precluded under the laws or regulations of the relevant electric retail regulatory authority. Consistent with Section 2.8.1 of this Attachment, an aggregator of retail customers wishing to offer Demand Response Load in the form of a Demand Response Resource on behalf of one or more retail customers must also include in its application and registration a certification that participation of each retail customer is either: (1) not precluded by the laws or regulations of the relevant electric retail regulatory authority if the customer is served by a utility that distributed more than 4 million MWh in the previous fiscal year; or (2) affirmatively permitted by the laws or regulations of the relevant electric retail regulatory authority if the customer is served by a utility that distributed 4 million MWh or less in the previous fiscal year. Demand Response Resources must meet all application, registration and technical requirements applicable to the Energy and Operating Reserve Markets. The Transmission Provider is not responsible for interpreting the laws or regulations of a relevant electric retail regulatory authority and shall be required only to verify that the Market Participant has included such a certification in its application materials. The Transmission Provider is not liable or responsible for Market Participants participating in the Energy and Operating Reserve Markets in violation of any law or regulation of a relevant electric retail regulatory authority including state-approved retail tariff(s).
- (9) An aggregator of retail or wholesale customers offering Demand Response Load of one or more end-use retail customers or wholesale customers as a Demand

Response Resource in the Energy and Operating Reserve Markets must be a Market Participant, satisfying all registration and certification requirements applicable to Market Participants as well as certification consistent with Section 2.8 of this Attachment, as required.

- (10) A wind-powered Variable Energy Resource with (1) an interconnection agreement executed after May 21, 2011 or (2) an interconnection agreement executed on or prior to May 21, 2011 and that commenced Commercial Operation on or after October 15, 2012 must register as a Dispatchable Variable Energy Resource. A wind-powered Variable Energy Resource with an interconnection agreement executed on or prior to May 21, 2011 may register as a Dispatchable Variable Energy Resource if it is capable of being incrementally dispatched by the Transmission Provider. Variable Energy Resources with fuel sources other than wind may optionally register as a Dispatchable Variable Energy Resource. Otherwise, Variable Energy Resources must register as Non-Dispatchable Variable Energy Resources. A Qualifying Facility exercising its rights under PURPA to deliver its net output to its host utility may register as a Non-Dispatchable Variable Energy Resource or a Dispatchable Variable Energy Resource as described in the Market Protocols. Any Resource that has previously registered as a Dispatchable Variable Energy Resource shall not subsequently register as a Non-Dispatchable Variable Energy Resource.
- (11) A Market Participant that is selling firm power to the load asset under a bilateral contract may, with the agreement of the buyer, register all or a portion of the buyer's load as its load asset. For purposes of this Section 2.2(11) of this Attachment AE, the sale of firm power shall refer to power sales deliverable with firm transmission service, with the supplier assuming the obligation to serve the buyer's load with both capacity and energy. For the purposes of Section 2.11.1 of this Attachment AE, such registration of the buyer's load by the seller shall be accounted for by including such load in the seller's Reported Load and not including such load in the buyer's Reported Load, as described under Section 2.11.1(A)(1) of this Attachment AE, and such associated bilateral contracts shall

not be included in either the buyer's or seller's net resource capacity described under Section 2.11.1(A)(4) of this Attachment AE.

- (12) A Transmission Owner providing firm transmission service under a GFA eligible for GFA Carve Out must request removal of congestion and marginal loss charges and designate the GFA Responsible Entity within the timeframe set forth in Section 2.2 (1) of Attachment AE.
- (13) A GFA Responsible Entity shall provide to the Transmission Provider the information necessary to administer the GFA Carve Out. The required information shall include the following:
 - (a) Resource Settlement Location;
 - (b) Load Settlement Location;
 - (c) The maximum MW capacity contracted under the GFA Carve Out;
 - (d) The identification of the GFA in Attachment W; and
 - (e) Any other information reasonably required by the Transmission Provider.
- (14) Market Participants with assets interconnected to the Transmission System that are not participating in the Energy and Operating Reserve Markets must pseudo-tie the Resource or load out of the SPP Balancing Authority Area in accordance with Attachment AO. Such assets shall continue to be registered in the Integrated Marketplace for the purposes of accounting for congestion and loss charges between the Resource Price Node and the applicable External Interface Settlement Location as described under Sections 8.6.19 and 8.6.20 of this Attachment AE.
 - (a) To the extent that the SPP Balancing Authority or associated external Balancing Authority can no longer maintain the Resource pseudo-tie for reliability reasons, the Market Participant representing the pseudo-tied Resource must immediately reduce the output of the pseudo-tied resource to the available pseudo-tie capability after receiving notification from the affected Balancing Authority of the reduced capability. A Market Participant shall not generate any energy in excess of the available pseudo-tie capability after receiving such notification and shall not be

compensated in the Energy and Operating Reserve Markets settlement for any energy generated in excess of the available pseudo-tie capability.

- (15) Western-UGP shall provide to the Transmission Provider the information necessary to administer the FSE. The required information shall include the following:
 - (a) Resource Settlement Locations;
 - (b) Load Settlement Locations;
 - (c) The maximum MW capacity contracted under the FSE;
 - (d) The identification of the FSE Statutory Load Obligations as described in the SPP-Western-UGP NITSA; and
 - (e) Any other information reasonably required by the Transmission Provider.
- (16) The Transmission Provider shall establish FSE Transfer Points consistent with the FSE transmission service power flow impacts.

7.0 Transmission Congestion Rights Markets

The TCR Markets process includes an *annual LTCR allocation*, an annual ARR allocation, annual and monthly TCR auctions and a monthly ARR allocation in accordance with the timelines specified in the Market Protocols. The TCR Markets process is subject to review by the Market Monitor consistent with Attachment AG of this Tariff. *LTCRs are obtained by Eligible Entities during the annual LTCR allocation.* ARRs are obtained by Eligible Entities during the annual ARR allocation or the monthly ARR allocation. TCRs are obtained by Market Participants through *the annual LTCR allocation and the annual and monthly TCR auctions.*

There are *eight* (8) key processes associated with *LTCRs*, ARRs and TCRs:

- (1) Annual *LTCR*/ARR verification;
- (2) Annual *LTCR* allocation;
- (3) *Annual ARR allocation*;
- (4) Annual TCR auction;
- (5) Monthly ARR allocation;
- (6) Monthly TCR auction;
- (7) ARR allocation and TCR auction settlements; and
- (8) TCR secondary markets.

Table 7-1 in Section 7.4.2 of this Attachment AE provides additional details related to auction timing and Transmission System capability available for the TCR auctions.

(b) Except as otherwise provided in this Section 7.0.b (ii), an entity taking firm transmission service under a GFA Carve Out will not be eligible to participate in the TCR Markets for the MW capacity associated with the GFA Carve Out.

- (i) The MW capacity associated with each GFA Carve Out shall be included in the Transmission Provider's ARR allocation and TCR auction processes in a manner that reflects the transmission service pursuant to the GFA Carve Out, provided, however, that (A) candidate ARRs associated with the GFA Carve Out service

shall not be nominated for a product period if, based upon the twelve preceding months for which congestion data is available, such ARR, had it been converted to a TCR, would have resulted in a net charge to the holder of the TCR over that product period, and (B) until twelve months of Integrated Marketplace data are available, the Transmission Provider shall use relevant data from both the EIS Market and the Integrated Marketplace to estimate whether the result would have been a net charge to the TCR holder.

- (ii) On an annual basis, the GFA Responsible Entity may elect, in writing, to cancel the GFA Carve Out treatment and will be eligible to participate in the TCR Markets pursuant to Section 7.0 of Attachment AE. The conversion of GFA Carve Out to the TCR Market is irrevocable.
- (c) Firm transmission capacity associated with a FSE shall not be eligible to participate in the TCR Markets.
- (i) The MW capacity associated with each FSE shall be included in the Transmission Provider's ARR allocation and TCR auction processes in a manner that reflects the transmission service pursuant to the FSE, provided, however, that Candidate ARRs associated with the FSE service shall not be nominated for a product period if, based upon the twelve preceding months for which congestion data is available, such ARR, had it been converted to a TCR, would have resulted in a net charge to the holder of the TCR over that product period.
 - (ii) For the MW capacity associated with each FSE, the sink for the ARR/TCR shall be the (1) load Settlement Location within the UMZ, (2) interface with an external Balancing Authority, or (3) FSE Transfer Point, as appropriate. For ARR/TCR activity from FSE Transfer Points to load external to the UMZ but internal to the Transmission Provider, the normal ARR/TCR process is available to the applicable Market Participants from the FSE Transfer Point to the load consistent with the transmission service reservation.

8.2 Bilateral Settlement Schedules, GFA Carve Outs and FSE

Market Participants may create Bilateral Settlement Schedules for Energy and Operating Reserve obligations by registering and confirming the parameters of the agreement between buyer and seller as described in the Market Protocols. Both the buyer and seller must confirm the Bilateral Settlement Schedule except when the Bilateral Settlement Schedule is associated with an existing bilateral agreement under Section 8.2.1 of this Attachment AE. Either the buyer or seller may terminate the Bilateral Settlement Schedule at any time except when the Bilateral Settlement Schedule is associated with an existing bilateral agreement under Section 8.2.1 of this Attachment AE.

Market Participants may submit Bilateral Settlement Schedule quantities for Energy and Operating Reserve obligation for use in the Day-Ahead Market and may submit Bilateral Settlement Schedule quantities for Energy for use in the Real-Time Balancing Market up to four (4) days following the applicable Operating Day for the initial settlement. New submittals and revisions to previously submitted values may be submitted up to forty-four (44) days following the applicable Operating Day to be included in the final settlement. Submittals not confirmed by both parties will not be included in any settlement execution.

Transactions related to Bilateral Settlement Schedules for Energy must specify the Settlement Location, the MW amount, the buyer, the seller and which market it applies to (Day-Ahead Market or RTBM), and must be for the physical transfer of Energy, with title of the energy transferring from the seller to the buyer at the Settlement Location specified for the transaction. Market Participants that submit Bilateral Settlement Schedules for Energy shall use reasonable efforts to limit the megawatt hours of such transactions to amounts reflecting the expected load and other physical delivery obligations of the buyer under the bilateral contract. The seller receives an increase in load obligation equal to the specified MW amount and the buyer receives a reduction in load obligation equal to the specified MW amount (the equivalent of a Resource settlement) at the specified Settlement Location.

Transactions related to Bilateral Settlement Schedules for Operating Reserve obligation must specify the buyer, the seller, the Operating Reserve product, the MW

obligation transfer and the Reserve Zone within which the obligation transfer applies and must be for the physical transfer of energy associated with the Operating Reserve product, with title of the Operating Reserve product transferring from the seller to the buyer at the Reserve Zone specified for the transaction. The seller receives an increase in Operating Reserve obligation equal to the specified MW and the buyer receives a corresponding decrease in Operating Reserve obligation within the specified Reserve Zone.

8.2.3 FSE

Western-UGP shall not be charged for the cost of congestion and marginal losses for actual energy (MWh) transacted from Federal Power-Western-UGP resources across the UMZ to Western-UGP's Statutory Load Obligations as stated in Section 39.3(e)(ii) of this Tariff.

- (a) FSE treatment is only available to the extent that the Resources are offered into the Day-Ahead Market using a commitment status as described in Section 4.1(10) (a) or (b) of this Attachment AE. To the extent a Federal Power-Western-UGP resource is external to the Energy and Operating Reserve Markets, an Import Interchange Transaction must be submitted in the Day-Ahead Market with sufficient capacity to cover the FSE Schedule.
- (b) The Transmission Provider will remove charges for cost of congestion and cost of marginal losses from the Settlement Statement as provided in Section 10.1(5) of Attachment AE, only if Western-UGP submits a FSE Schedule and E-Tag (if applicable) according to the procedures specified in Section 8.2.3.1 of Attachment AE for the Day-Ahead Market for the FSE transaction, consistent with the FSE Settlement Locations, and within the maximum MW capacity permissible under the FSE. Western-UGP must update the FSE Schedule after the close of the Day-Ahead Market with the actual energy transacted that corresponds to the FSE.
- (c) The Transmission Provider shall account for the FSE in the TCR Markets, but shall not allocate ARRs or assign TCRs to Western-UGP for a FSE.
- (d) Western-UGP is responsible for coordinating the FSE Schedule data and ensuring the consistency of the FSE Schedules. The Market Monitor will monitor FSE Schedules in accordance with Section 4.6 of Attachment AG of this Tariff.
- (e) The FSE Schedule associated with a Federal Power-Western-UGP resource will include provision of physical losses in accordance with Attachment M of this Tariff. The FSE Schedule associated with Statutory Load Obligations will not include the physical losses.

8.2.3.1 FSE Schedules

Western-UGP shall create FSE Schedules for all energy transacted under the FSE, as described in the Market Protocols. Western-UGP shall submit: (i) FSE Schedules for the Resource Settlement Location within the Energy and Operating Reserve Markets; (ii) FSE Schedules for the Load Settlement Location or FSE Transfer Point within the Energy and Operating Reserve Markets; and (iii) an E-Tag for FSE transactions with Resource Settlement Location or Load Settlement Location external to the Energy and Operating Reserve Markets.

8.5.16 Day-Ahead Over-Collected Losses Distribution Amount

The MLC of the Day-Ahead Market LMP creates an over collection of funds related to payment for losses (“Day-Ahead Market Over-Collected Losses”) that must be refunded to Asset Owners, as described in this Section 8.5.16. Day-Ahead Market Over-Collected Losses refunds associated with a GFA Carve Out and FSE are calculated pursuant to this Section 8.5.16 and included as a credit to the GFA Carve Out costs and FSE costs under Section 8.5.18 of this Attachment AE. Day-Ahead Market Over-Collected Losses refunds associated with a GFA Carve Out shall not be credited to a GFA Carve Out Responsible Entity to the extent of load it serves under GFA Carve Out Schedule(s). Day-Ahead Market Over-Collected Losses refunds associated with a FSE shall not be credited to Western-UGP for the amount of load served under an FSE Schedule(s).

- (1) A payment for the portion of such Day-Ahead Market over-collected losses allocable to each Asset Owner (“Day-Ahead Over-Collected Losses Distribution Amount”) shall be calculated for each hour at each Settlement Location for which an Asset Owner has a Day-Ahead Market Energy withdrawal within a Loss Pool, provided that such withdrawal does not include Energy associated with cleared Virtual Energy Bids, and such Loss Pool contributed positively to the over-collection according to the following calculations:
 - (a) Each Loss Pool’s contribution to the Day-Ahead Market over-collected losses is calculated based on transactional activity in that Loss Pool where such transactional activity shall include: cleared Resource Offers, cleared Demand Bids, cleared Import Interchange Transaction Offers, cleared Export Interchange Transaction Bids, cleared Virtual Energy Bids and cleared Virtual Energy Offers.
 - (b) A “Day-Ahead Market Loss Pool loss rebate factor” is calculated hourly for each Loss Pool. The Day-Ahead Market Loss Pool loss rebate factor is equal to the sum of the positive loss rebate factors calculated in the Day-Ahead Market at each withdrawal Settlement Location in the Loss Pool

(the “Day-Ahead Market Withdrawal Settlement Location loss rebate factor”). Day-Ahead Market Withdrawal Settlement Location loss rebate factors are calculated hourly as the difference between the Day-Ahead MLC at a withdrawal Settlement Location in the Loss Pool and the injection weighted average Day-Ahead MLC for the Loss Pool, multiplied by the withdrawal quantity at that withdrawal Settlement Location.

- (i) For any Settlement Location that is contained within more than one Settlement Area Loss Pool, any injections or withdrawals associated with such Settlement Location shall be allocated pro rata to the applicable Settlement Area Loss Pools based upon actual submitted real-time meter values for the Meter Data Submittal Locations contained within each applicable Settlement Area Loss Pool.
- (ii) The total withdrawal quantity at a Settlement Location is calculated as the positive value of the sum of all cleared Resource Offers, cleared Demand Bids, cleared Import Interchange Transaction Offers, cleared Export Interchange Transaction Bids, cleared Virtual Energy Bids and cleared Virtual Energy Offers at that Settlement Location.
- (c) The injection weighted average Day-Ahead MLC for a Loss Pool is calculated assuming that injection in a Loss Pool first serves withdrawals in the Loss Pool and then goes to meet the withdrawal in Loss Pools that do not have sufficient injections to meet all withdrawals.
- (d) A Day-Ahead Loss Pool Unitized Loss Rebate Factor is calculated for each Loss Pool and is equal to that Loss Pool’s Day-Ahead Market Loss Pool loss rebate factor, as calculated in (1)(b) above, divided by the sum of all Day-Ahead Market Loss Pool loss rebate factors.

- (2) The Day-Ahead over-collected losses distribution amount shall be calculated hourly for each Asset Owner for each Loss Pool and withdrawal Settlement Location within each Loss Pool as follows:

Asset Owner Settlement Location Day-Ahead Over-Collected Losses
Distribution Amount =

[(Day-Ahead Loss Pool Unitized Loss Rebate Factor) * (Day-Ahead
Over-Collected Losses Amount) * (Asset Owner Settlement Location
Withdrawal in Loss Pool / Total Asset Owner Settlement Location
Withdrawals in Loss Pool)] * (-1)

- (a) The Day-Ahead Over-Collected Losses Amount in an hour is equal to the sum for all Settlement Locations of an amount equal to [(Day-Ahead LMP – Day-Ahead MCC)] * Total cleared Energy MW at each Settlement Location.
- (b) The Asset Owner Settlement Location Withdrawal in Loss Pool is equal to the positive value of sum of the Asset Owner's cleared Demand Bids, cleared Resource Offers, cleared Interchange Transactions, Day-Ahead Market Bilateral Settlement Schedules, GFA Carve Out Schedules, and FSE Schedules at that Settlement Location in that Loss Pool.
- (c) Day-Ahead Loss Pool Unitized Loss Rebate Factor is the factor calculated as described in subsection (1)(d) above.

8.5.18 Day-Ahead GFA Carve Out and FSE Daily Amount

A Day-Ahead Market credit or charge for exclusion of transactions associated with GFA Carve Outs and FSEs from Marketplace settlement of congestion, losses and hedging instruments as described under Section 8.2.2 of this Attachment AE, is calculated each day for every Asset Owner modeled to represent a GFA Carve Out or FSE. This Day-Ahead GFA Carve Out Daily Amount is calculated as follows:

$$\text{Day-Ahead GFA Carve Out Daily Amount per Asset Owner} = ((-1) * (\text{Day-Ahead Asset Energy Amount} + \text{Day-Ahead Non-Asset Energy Amount} + \text{Transmission Congestion Rights Funding Amount} + \text{Transmission Congestion Rights Daily Uplift} + \text{Day-Ahead Over Collected Losses Distribution Amount} + \text{Transmission Congestion Rights Auction Daily Amount} + \text{Auction Revenue Rights Daily Amount} + \text{Auction Revenue Rights Daily Uplift Amount}))$$

Where:

- (1) Day-Ahead Asset Energy Amount is equal to the daily sum of the hourly values calculated under Section 8.5.1(1) and 8.5.1(2) of this Attachment AE;
- (2) Day-Ahead Non-Asset Energy Amount is equal to the daily sum of the hourly values calculated under Section 8.5.1(3) of this Attachment AE;
- (3) Transmission Congestion Rights Funding Amount is equal to the daily sum of the hourly values calculated under Section 8.5.11 of this Attachment AE;
- (4) Transmission Congestion Rights Daily Uplift Amount is equal to the daily value calculated under Section 8.5.12 of this Attachment AE;
- (5) Day-Ahead Over-Collected Losses Distribution Amount is equal to the daily sum of the hourly values calculated under Section 8.5.16 of this Attachment AE;
- (6) Transmission Congestion Rights Auction Daily Amount is equal to the daily value calculated under Section 8.7.1 of this Attachment AE;
- (7) Auction Revenue Rights Daily Amount is equal to the daily value calculated under Section 8.7.2 of this Attachment AE; and
- (8) Auction Revenue Rights Daily Uplift Amount is equal to the daily value calculated under Section 8.7.3 of this Attachment AE.

8.5.19 Day-Ahead GFA Carve Out and FSE Monthly Amount

A Day-Ahead Market credit or charge for exclusion of GFA Carve Outs and FSEs from Marketplace settlement of Transmission Congestion Rights Monthly Payback Amount and Auction Revenue Rights Monthly Payback Amount, as described under Sections 8.5.13 and 8.7.4 of this Attachment AE, is calculated each month for every Asset Owner modeled to represent a GFA Carve Out or FSE. This Day-Ahead GFA Carve Out Monthly Amount is calculated as follows:

$$\text{Day-Ahead GFA Carve Out Monthly Amount per Asset Owner} = ((-1) * (\text{Transmission Congestion Rights Monthly Payback Amount} + \text{Auction Revenue Rights Monthly Payback Amount}))$$

Where:

- (1) Transmission Congestion Rights Monthly Payback Amount is equal to the monthly value calculated under Section 8.5.13 of this Attachment AE; and
- (2) Auction Revenue Rights Monthly Payback Amount is equal to the monthly value calculated under Section 8.7.4 of this Attachment AE.

8.5.20 Day-Ahead GFA Carve Out and FSE Yearly Amount

A Day-Ahead Market credit or charge for exclusion of GFA Carve Outs and FSEs from Marketplace settlement of Transmission Congestion Rights Yearly Payback Amount, Transmission Congestion Rights Yearly Closeout Amount, Auction Revenue Rights Yearly Payback Amount and Auction Revenue Rights Yearly Closeout Amount, as described under Sections 8.5.14, 8.5.15, 8.7.5 and 8.7.6 of this Attachment AE, is calculated each year for every Asset Owner modeled to represent a GFA Carve Out or FSE. This Day-Ahead GFA Carve Out Yearly Amount is calculated as follows:

$$\text{Day-Ahead GFA Carve Out Yearly Amount per Asset Owner} = ((-1) * (\text{Transmission Congestion Rights Yearly Payback Amount} + \text{Transmission Congestion Rights Yearly Closeout Amount} + \text{Auction Revenue Rights Yearly Payback Amount} + \text{Auction Revenue Rights Yearly Closeout Amount}))$$

Where:

- (1) Transmission Congestion Rights Yearly Payback Amount is equal to the yearly value calculated under Section 8.5.14 of this Attachment AE;
- (2) Transmission Congestion Rights Yearly Closeout Amount is equal to the yearly value calculated under Section 8.5.15 of this Attachment AE;
- (3) Auction Revenue Rights Yearly Payback Amount is equal to the yearly value calculated under Section 8.7.5 of this Attachment AE; and
- (4) Auction Revenue Rights Yearly Closeout Amount is equal to the yearly value calculated under Section 8.7.6 of this Attachment AE.

8.5.21 GFA Carve Out and FSE Distribution Daily Amount

The Transmission Provider shall perform the following calculation for each day for each Asset Owner and Settlement Location to ensure that the Day Ahead GFA Carve Out Daily Amount is distributed to all non GFA Carve Out load and non FSE load on a daily load ratio share basis, and that the Transmission Provider is revenue neutral.

GFA Carve Out Distribution Daily Amount =

GFA Revenue Inadequacy Daily Amount * Asset Owner Daily Distribution Factor * (-1)

Where:

- (1) The GFA Revenue Inadequacy Daily Amount is equal to the sum of all GFA Carve Out charges and payments calculated under Section 8.5.18 of this Attachment AE for that day; and
- (2) An Asset Owner's Daily Distribution Factor is equal to:
 - (a) The sum for all hours in the Operating Day of the Maximum of (i) zero or (ii) the Asset Owner's hourly Reported Load plus hourly Export Interchange Transactions minus the Asset Owner's hourly GFA Carve Out load minus the Asset Owner's hourly FSE load;
Divided by,
 - (b) The sum for all Asset Owners and Settlement Locations of the values calculated in Section 8.5.21(2)(a).

8.5.22 GFA Carve Out and FSE Distribution Monthly Amount

The Transmission Provider shall perform the following calculation for each month for each Asset Owner and Settlement Location to ensure the Day Ahead GFA Carve Out Monthly Amount is distributed to all non GFA Carve Out load and non FSE load on a monthly load ratio share basis and that the Transmission Provider is revenue neutral.

$$\begin{aligned} &\text{GFA Carve Out Distribution Monthly Amount} = \\ &\text{GFA Revenue Inadequacy Monthly Amount} * \text{Asset Owner Monthly Distribution Factor} \\ &* (-1) \end{aligned}$$

Where:

- (1) The GFA Revenue Inadequacy Monthly Amount is equal to the sum of all GFA Carve Out charges and payments calculated under Section 8.5.19 of this Attachment AE; and
- (2) An Asset Owner's Monthly Distribution Factor is equal to:
 - (a) The sum for all hours in the month of the Maximum of (i) zero or (ii) the Asset Owner's hourly Reported Load plus hourly Export Interchange Transactions minus the Asset Owner's hourly GFA Carve Out load minus the Asset Owner's hourly FSE load;
Divided by,
 - (b) The sum for all Asset Owners and Settlement Locations of the values calculated in Section 8.5.22(2)(a).

8.5.23 GFA Carve Out and FSE Distribution Yearly Amount

The Transmission Provider shall perform the following calculation for each year for each Asset Owner and Settlement Location to ensure the Day Ahead GFA Carve Out Yearly Amount is distributed to all non GFA Carve Out load and non FSE load on an annual load ratio share basis and that the Transmission Provider is revenue neutral.

$$\begin{aligned} &\text{GFA Carve Out Distribution Yearly Amount} = \\ &\text{GFA Revenue Inadequacy Yearly Amount} * \text{Asset Owner Yearly Distribution Factor} * \\ &(-1) \end{aligned}$$

Where:

- (1) The GFA Revenue Inadequacy Yearly Amount is equal to the sum of all GFA Carve Out charges and payments calculated under Section 8.5.20 of this Attachment AE; and
- (2) An Asset Owner's Yearly Distribution Factor is equal to:
 - (a) The sum for all hours in the year of the Maximum of (i) zero or (ii) the Asset Owner's hourly Reported Load plus hourly Export Interchange Transactions minus the Asset Owner's hourly GFA Carve Out load minus the Asset Owner's hourly FSE load, divided by:
 - (b) The sum for all Asset Owners and Settlement Locations of the values calculated in Section 8.5.23(2)(a) of this Attachment AE.

8.9 GFA Carve Out or FSE Uplift

The Transmission Provider shall determine the congestion charges and marginal loss charges related to the GFA Carve Outs or FSE. Subject to Section 7.0(b)(i) of this Attachment AE, these charges will be offset by the ARR/TCR settlement that would have been claimed for each GFA Carve Out or FSE under the normal ARR/TCR process and by the distribution of associated Marginal Loss Overcollection funds. The Transmission Provider shall perform calculations in accordance with Sections 8.5.18 through 8.5.23 of this Attachment AE to ensure that the Transmission Provider is revenue neutral for the expense or credit attributed to GFA Carve Out Schedules or FSE Schedules. The Transmission Provider shall calculate uplift charges or credits on a load ratio share basis to each Market Participant for all load Asset Owners it represents, excluding from such calculations all load served under GFA Carve Out Schedules or FSE Schedules. The Daily, Monthly, and Yearly GFA Carve Out Uplift Distribution Amounts shall not be charged or credited to a GFA Carve Out Responsible Entity to the extent of load it serves under GFA Carve Out Schedules. The Daily, Monthly, and Yearly Uplift Distribution Amounts associated with FSE Schedules shall not be charged or credited to Western-UGP for the amount of load served under FSE Schedules.

10.1 Settlement Statements

- (1) The Transmission Provider shall issue a preliminary Settlement Statement for an Operating Day no later than seven (7) calendar days following the applicable Operating Day unless the seventh (7) day following the applicable Operating Day is not a business day, in which case, the preliminary Settlement Statement shall be issued on the first business day thereafter.
- (2) The Transmission Provider shall issue a final Settlement Statement for an Operating Day no later than forty-seven (47) calendar days following the applicable Operating Day unless the forty-seventh (47) calendar day following the applicable Operating Day is not a business day, in which case, the final Settlement Statement shall be issued on the first (1) business day thereafter.
- (3) The Transmission Provider shall make corrections to the preliminary and final Settlement Statements for an Operating Day for data errors and Settlement Statement disputes that have been resolved. Settlement associated with a specific Operating Day shall be considered final at the end of the three hundred sixty-fifth (365) calendar day following the applicable Operating Day.
- (4) To the extent that a Market Participant, or its designated meter agent, does not submit meter data representing that Market Participant's actual Resource output and load consumption, either on a five (5) minute basis or an hourly basis in accordance with the timelines specified in the Market Protocols, the Transmission Provider shall use estimated data for that Market Participant that is equal to that Market Participant's telemetered generation and load for the applicable intervals or State Estimator values if telemetered values are not available for the purposes of calculating the preliminary statements specified under Sections 10.1(1). To the extent a Meter Agent does not submit data representing the metering of each interconnecting tie-line between Settlement Areas, the Transmission Provider will substitute State Estimator values. In the event that actual meter data is not submitted prior to the issuance of a final Settlement Statement, the Transmission Provider shall use the best available data, which may include estimated meter data as developed by the Transmission Provider, for the purposes of calculating final Settlement Statements.

- (5) The Transmission Provider shall remove from the GFA Responsible Entity's Settlement Statement all charges associated with the cost of congestion and the cost of losses for GFA Carve Out transactions based on the Day-Ahead Market for the designated Settlement Locations, as set forth in Section 8.2.2 of Attachment AE. The Transmission Provider removal of all charges associated with the cost of congestion and the cost of losses for GFA Carve Out is subject to the GFA Responsible Entity's compliance with the requirements of Section 8.2.2.1 of Attachment AE
- (6) The Transmission Provider shall remove from Western-UGP's Settlement Statement all charges associated with the cost of congestion and the cost of losses for FSE transactions based on the Day-Ahead Market for the designated Settlement Locations, as set forth in Section 8.2.3 of this Attachment AE. Such removal is subject to Western-UGP's compliance with the requirements of Section 8.2.3.1 of this Attachment AE.

4. Market Monitoring

4.1 Markets to be Monitored

The Market Monitor will monitor Markets and Services. The Market Monitor will not monitor bilateral energy, transmission or capacity markets and services not administered, coordinated or facilitated by SPP, except to assess the effect of these markets and services on Markets and Services, or the effects of Markets and Services on these unmonitored markets. Similarly, the Market Monitor will not monitor the energy, transmission or capacity markets and services in regions adjacent to the SPP Region except to assess the effect of these markets and services on Markets and Services, or the effects of Markets and Services on these adjacent markets.

4.2 Market Monitoring Scope

The Market Monitor will implement the Plan. The markets will require continuous monitoring by the Market Monitor. The Market Monitor will monitor Markets and Services by reviewing and analyzing market data and information including, but not limited to:

- (a) Resource registration data;
- (b) Resource Offer data including non-price related offer parameters required for use in either the Day-Ahead Market, Reliability Unit Commitment process and/or Real-Time Balancing Market;
- (c) Demand Bids for the purchase of Energy in the Day-Ahead Market;
- (d) Virtual Energy Bids for the purchase of Energy in the Day-Ahead Market and Virtual Energy Offers for the sale of Energy in the Day-Ahead Energy Market;
- (e) Export Interchange Transaction Bids and Import Interchange Transaction Offers for the purchase and sale of Energy in the Day-Ahead Market and the Real-Time Balancing Market;
- (f) Actual commitment and dispatch of Resources, including but not limited to Resource MW capability and output, MVAR capability and output, status, and outages;

- (g) Locational Marginal Prices and zonal Market Clearing Prices at all Settlement Locations in or affecting any of Markets and Services;
- (h) SPP Balancing Authority Area data, including but not limited to demand, area control error, Net Scheduled Interchange, actual total net interchange, and forecasts of operating reserves and peak demand;
- (i) Conditions or events both inside and outside the SPP Balancing Authority Area affecting the supply and demand for, and the quantity and price of, products or services sold or to be sold in Markets and Services;
- (j) Information regarding transmission services and rights, including the estimating and posting of Available Transfer Capability (“ATC”) or Available Flowgate Capability (“AFC”), administration of this Tariff, the operation and maintenance of the transmission system, any auctions or other markets for transmission rights, and the reservation and scheduling of transmission service;
- (k) Information regarding the nature and extent of transmission congestion in the region and, to the extent practicable, transmission congestion on any other system that affects Markets and Services, including but not limited to causes of, costs of and charges for transmission congestion, transmission facility loading, MVA capability, line status and outages;
- (l) Settlement data for the Markets and Services;
- (m) Any information regarding collusive or other anticompetitive or inefficient behavior in or affecting any of Markets and Services;
- (n) Generation resource operating cost data for estimating resource incremental cost, including fuel input costs, heat rates where applicable, start-up fuel requirements, environmental costs and variable operating and maintenance expenses;
- (o) Logs of transmission service requests and Generation Interconnection Requests along with the disposition of each request and the explanation of any refused requests;
- (p) Any additional Resource and transmission facility outage data not otherwise provided for in this Section 4.2;

- (q) GFA Carve Out Schedules; and
- (r) FSE Schedules.

4.2.1 Additional Market Monitor Duties

- (a) In addition to the monitoring of market Data and Information, the Market Monitor may communicate with SPP Staff and Market Participants at any time for the purpose of monitoring and assessing market conditions.
- (b) The Market Monitor shall evaluate the effectiveness of Markets and Services in signaling the need for investment in new generation, transmission or demand response infrastructure and report on its findings at least annually.

4.3 Referrals to the Commission

- (a) The Market Monitor shall report suspected market violations, as defined in 18 CFR 35.28(b)(8), to FERC's Office of Enforcement (or its successor organization) staff in accordance with the FERC's reporting protocols for referrals by market monitors as specified in 18 C.F.R. § 35.28(g)(3)(iv) in a timely manner. Any such reports by the Market Monitor to FERC Staff shall be on a confidential basis, and all information and documents included in such reports will not be released to any other party except to the extent FERC directs or authorizes such release, unless such information and documents are already in the public domain.

4.4 Monitoring for Potential Integrated Marketplace Manipulation

The Market Monitor will monitor for potential instances of market manipulation in the Integrated Marketplace. Such actions or transactions that are without a legitimate business purpose and that are intended to or foreseeably could manipulate market prices (including actions resulting in excessive day-ahead clearing prices), market conditions, or market rules for electric energy or electric products are prohibited. As listed by the FERC, prohibited behavior includes (a) wash trades, (b) submission of false data, (c) actions to cause artificial congestion

and (d) collusive acts. The Market Monitor will report any market manipulation in the Integrated Marketplace in a timely manner.

4.5 Monitoring for Potential Transmission Market Power Activities

The Market Monitor shall monitor Markets and Services for the exercise of transmission market power by reviewing and analyzing data and information related to the availability of transmission facilities that impact access to services under this Tariff. The Market Monitor will monitor for activities particularly with respect to the withholding of transmission facilities or transmission capacity, including activities such as but not limited to, the following:

- (a) Physical withholding by Transmission Owners by providing improper information related to the availability of transmission, such as information related to the capability or other modeling data used by SPP for use in system operations;
- (b) Economic withholding by Transmission Owners through the use of methods and data for estimating costs of interconnection and system upgrades that is not comparable for affiliates and non-affiliates;
- (c) Unavailability of transmission facilities through planned and unplanned maintenance outages that routinely exceed historical baselines; and
- (d) Withholding of transmission capacity through excess reservations that are not actually used.

The Market Monitor shall refer any perceived market design flaws and recommended Tariff language changes to the Commission's Office of Energy Market Regulation (or its successor office/organization). In addition, the Market Monitor shall refer any instance(s) of the suspected exercise of transmission market power directly to the Commission's Office of Enforcement (or its successor organization) utilizing the protocols for referrals to the Commission for suspected instances of the exercise of market power that may be part of a suspected market violation, such as manipulation, in accordance with 18 C.F.R. § 35.28(g)(3)(iv). Where appropriate, the Market Monitor shall also provide the FERC with an estimate of damages equal to (i) the effect on prices multiplied by

(ii) the affected energy produced by the Transmission/Generation Owner. The Market Monitor may also request the FERC to impose additional sanctions and penalties, which may consist of a fixed dollar amount based on each instance, or an amount up to (i) the effect on prices multiplied by (ii) the affected energy produced by Market Participants other than the Transmission/Generation Owner. All such referrals by the Market Monitor to FERC will be on a confidential basis, and all information and documents included in such reports will not be released to any other party except to the extent FERC directs or authorizes such release.

4.6 Monitoring for Market Participant Behavior Possibly Warranting Mitigation

The Market Monitor shall monitor Markets and Services for potential abuse associated with the following categories of Market Participant behavior: (1) economic withholding; (2) uneconomic production; (3) physical withholding; (4) uneconomic Virtual Bids and Virtual Offers; (5) gaming related to GFA Carve Out Schedules; and (6) gaming related to FSE Schedules. The mitigation measures for each of the behaviors identified in items (1) through (4) of this paragraph are described in Attachment AF. When the Market Monitor determines that there is sufficient credible information about a specific abusive practice, the issue will be referred to the Commission's Office of Enforcement (or its successor organization). Nothing in this section shall limit the Market Monitor's obligation to refer other suspected market violations to the Commission's Office of Enforcement, even where suspected behavior does not fall explicitly within the abovementioned categories or descriptions.

4.6.1 Uneconomic Production

The Market Monitor will monitor for cases where uneconomic production by a Resource causes congestion on transmission facilities or price separation between Reserve Zones that is not justified by reliability concerns. The provisions of this Section 4.6.1 shall not apply to Demand Response Resources.

- (a) Potential uneconomic production will be indicated, and subject to further analysis as described in (b) of this Section 4.6.1, when the Resource has a positive Resource-to-Load Distribution Factor and any of the following conditions are met:
 - (1) a Resource is identified with an incremental energy offer price less than 50 percent of the applicable reference level; or
 - (2) a Resource is determined to be generating outside of its Operating Tolerance; or
 - (3) a Resource is subject to a time-based or other resource offer parameter (non-time and non-dollar based) that appears to facilitate production that is otherwise uneconomic.
- (b) For any Resource meeting the conditions described in (a) of this Section 4.6.1, the Market Monitor shall determine whether: (i) the MW impact from uneconomic production associated with such Resource is exacerbating the transmission congestion or binding a Reserve Zone; and (ii) the uneconomic production is not obviously justified by reliability or other operational concerns.

The Market Monitor will conduct evaluations as specified above and other related assessments to determine if there is sufficient credible information to justify referral to the Commission.

4.6.2 Monitoring for Virtual Energy Bids and Virtual Energy Offers

The Market Monitor will monitor the level of divergence between the Day-Ahead Market LMPs and the Real-Time Balancing Market LMPs. Section 4.6.3 defines the monitoring metric and thresholds to be used in determining the existence of excessive LMP divergence. In the case that there is excessive LMP divergence, the Market Monitor will determine if the LMP divergence is attributable to the Virtual Energy Bid and Virtual

Energy Offer behavior of one or more Market Participants. If the Market Monitor identifies one or more Market Participants as having caused the excessive LMP divergence through Virtual Energy Bid and Virtual Energy Offer behavior, then the Transmission Provider shall impose mitigation measures described in Section 4.0 of Attachment AF.

4.6.3 Metric and Threshold Specifications

The Market Monitor will compute the hourly LMP deviation between the Day-Ahead Market and Real-Time Balancing Market using the following formula: $[(LMP_{RTBM} / LMP_{DA\ Market}) - 1] * 100$. The average hourly LMP deviation is computed over a rolling four (4) week period or any other period that the Market Monitor determines is appropriate. If the four (4) week rolling average is below negative ten percent (-10%) or in excess of ten percent (10%), then the divergence is considered excessive and additional analysis is required.

4.6.4 Physical Withholding

The Market Monitor will monitor for physical withholding of capacity from the Energy and Operating Reserve Markets, and unavailability of facilities. Physical withholding and unavailability of facilities may include:

- (a) Declaring that a Resource has been derated, forced out of service or otherwise been made unavailable for technical reasons that are untrue or that cannot be verified;
- (b) Refusing to provide offers or schedules for a Resource when it would otherwise have been in the economic interest to do so without market power;
- (c) Operating a Resource in real-time to produce an output level that is less than the dispatch instruction;
- (d) Derating a transmission facility for technical reasons that are not true or verifiable;

- (e) Operating a transmission facility in a manner that is not economic and that causes a binding transmission constraint or binding reserve zone or local reliability issue; and
- (f) Declaring that the capability of Resources to provide Energy or Operating Reserves is reduced for reasons that are not true or verifiable.

Market Participants will not be deemed to be physically withholding if they are following the directions of the SPP Balancing Authority, Reliability Coordinator, or applicable reliability standards. In addition, Market Participants will not be determined to have physically withheld if they are selling into another market at a higher price.

4.6.4.1 Thresholds for Identifying Physical Withholding of Resource Capacity

4.6.4.1.1 A Market Participant is deemed to be physically withholding capacity in a Frequently Constrained Area if all of the following conditions exist:

- (a) One or more of the transmission constraints or Reserve Zone constraints that define the Frequently Constrained Area are binding; and
- (b) The Market Participant controls or owns a Resource located in the Frequently Constrained Area that satisfies condition 4.6.4(a), 4.6.4(b), 4.6.4(c), or 4.6.4(f) of this Attachment AG.

4.6.4.1.2 A Market Participant is deemed to be physically withholding capacity in an area not designated as a Frequently Constrained Area if all of the following conditions exist:

- (a) One or more transmission constraints are binding or a Reserve Zone is binding; and
- (b) The Resource(s) meets either of the following criteria (1) or (2);

- (1) Such Resource(s) satisfy one of the conditions in Sections 4.6.4(a), 4.6.4(b), or 4.6.4(f) of this Attachment AG and the total withheld capacity exceeds the lower of 5 percent of the total capability owned or controlled by the Market Participant or 200 MW; or
- (2) Where the real-time output of each such Resource is less than the Resource's Operating Tolerance defined in Attachment AE, Section 6.4.1 of this Tariff and the Resource is not exempt from Uninstructed Resource Deviation under Attachment AE, Section 6.4.1.1 of this Tariff.

4.6.4.2 Thresholds for Screening of Potential Physical Withholding of Transmission Facilities

A transmission facility fails the physical withholding screen if either of the following conditions is met:

- (a) The transmission facility satisfies a condition in Section 4.6.4(d) or 4.6.4(e) of this Attachment AG; or
- (b) The Market Monitor identifies a pattern of scheduling outages resulting in increased market costs compared to an alternative and lower cost impact outage schedule.

4.6.4.3 Sanctions

The Market Monitor will record instances where Market Participants have failed the screens in Sections 4.6.4.1 and 4.6.4.2 of this Attachment AG and notify the Commission's Office of Enforcement, or successor organization, of such behavior. In the event the Market Monitor

determines there is credible evidence of a market violation, the Market Monitor shall make a referral to the Commission as described in Section 4.3 of this Attachment AG.

ATTACHMENT AN

AGREEMENT BETWEEN SOUTHWEST POWER POOL, INC. AND SOUTHWEST POWER POOL BALANCING AUTHORITY PARTICIPANTS RELATING TO THE IMPLEMENTATION OF THE SOUTHWEST POWER POOL BALANCING AUTHORITY

Southwest Power Pool, Inc. and the SPP BA Participants in the SPP Balancing Authority (as such terms are defined below) agree to the following terms.

1. RECITALS

- 1.1 In its May 1, 2007 Order in *Southwest Power Pool, Inc.*, Docket No. ER06-451-020, the FERC approved the EIS Agreement which provided for the performance of Balancing Authority responsibilities relating to implementation of the EIS Market through the SPP Open Access Transmission Tariff.
- 1.2 Through the EIS Agreement the Parties set out in detail the division and transfer of certain responsibilities between those entities identified as SPP Balancing Authorities in the EIS Agreement, and SPP relating to implementation of the EIS Market through the SPP OATT.
- 1.3 The Parties are replacing the EIS Agreement to accommodate the development and implementation of the SPP Integrated Marketplace and SPP becoming the Balancing Authority for the entire consolidated SPP Balancing Authority Area.
- 1.4 The Parties believe that this Agreement is in the public interest.

2. DEFINITIONS

- 2.01 **ACTUAL INTERCHANGE.** The metered interchange over a specific interconnection, including pseudo-ties, between two directly interconnected BAs.
- 2.02 **ADJACENT BALANCING AUTHORITY.** As defined in the NERC Glossary of Terms.
- 2.03 **AGREEMENT.** This “Agreement Between Southwest Power Pool, Inc. And Southwest Power Pool Balancing Authority Participants Relating To The Implementation Of The Southwest Power Pool Balancing Authority.”
- 2.04 **AREA CONTROL ERROR (ACE).** As defined in the NERC Glossary of Terms.
- 2.05 **AUTOMATIC GENERATION CONTROL (AGC).** As defined in the NERC Glossary of Terms.

- 2.06 **BALANCING AUTHORITY (BA).** As defined in the NERC Glossary of Terms.
- 2.07 **BA OPERATING PROTOCOLS.** The operating protocols entitled “BA Operating Protocols of the Participants and SPP” that are developed by the SPP BA, as may be amended from time to time, to describe in more detail the obligations of the Parties to implement this Agreement.
- 2.08 **BULK ELECTRIC SYSTEM.** As defined in the NERC Glossary of Terms.
- 2.09 **DYNAMIC SCHEDULE.** As defined in the NERC Glossary of Terms.
- 2.10 **EFFECTIVE DATE.** The effective date of this Agreement as specified in Section 16.2 of this Agreement.
- 2.11 **EIS AGREEMENT.** The “Agreement Between Southwest Power Pool, Inc. And Southwest Power Pool Balancing Authorities Relating To Implementation Of The EIS Market.”
- 2.12 **ERO.** The Electric Reliability Organization approved by FERC.
- 2.13 **ERO BALANCING AUTHORITY RELIABILITY STANDARDS.** Those reliability standards and requirements applicable to Balancing Authorities as those standards and requirements exist or are hereafter modified or adopted by the ERO.
- 2.14 **ERO RELIABILITY STANDARDS.** Standards developed by the ERO and approved by the Commission to ensure reliability of the Bulk Power System, violation of which may result in the imposition of mitigation programs or monetary penalties.
- 2.15 **FEDERAL POWER MARKETING AGENCY.** This term shall include the term “Federal Power Marketing Administration” and have the same definition that is set forth in the Federal Power Act at 16 U.S.C. § 796(19), which defines “Federal power marketing agency” as “any agency or instrumentality of the United States (other than the Tennessee Valley Authority) which sells electric energy[.]”
- 2.16 **FERC or the COMMISSION.** The Federal Energy Regulatory Commission or any successor agency.
- 2.17 **GENERATOR OPERATOR (GOP).** As defined in the NERC Glossary of Terms.
- 2.18 **GENERATOR OWNER (GO).** As defined in the NERC Glossary of Terms.
- 2.19 **GOOD UTILITY PRACTICE.** Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility 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 the acceptable practices, methods, or acts generally accepted in the region.

- 2.20 **GOVERNING DOCUMENTS.** The following documents as may be amended from time to time: (a) Southwest Power Pool, Inc. OATT; (b) Southwest Power Pool, Inc. Membership Agreement; (c) Southwest Power Pool, Inc. Bylaws; (d) Joint Operating Agreement Between the Midwest Independent Transmission System Operator, Inc. and Southwest Power Pool, Inc.; (e) Joint Operating Agreement Among And Between Southwest Power Pool, Inc. and Associated Electric Cooperative Inc.; and (f) any joint operating agreements or seams agreements executed by SPP after the filing of this Agreement with the FERC.
- 2.21 **INTEGRATED MARKETPLACE.** The Day-Ahead Market, the Real-Time Balancing Market, the Transmission Congestion Rights Market and the Reliability Unit Commitment processes.
- 2.22 **INTERCONNECTION.** The Eastern Interconnection as defined by the NERC Glossary of Terms.
- 2.23 **LOAD SERVING ENTITY (LSE).** As defined in the NERC Glossary of Terms.
- 2.24 **MARKET MONITOR.** The entity that is responsible for performing the monitoring and mitigation activities described in Attachments AF and AG to the SPP OATT.
- 2.25 **MARKET PARTICIPANT.** As defined in the SPP OATT.
- 2.26 **MEMBERSHIP AGREEMENT.** The Membership Agreement of the Southwest Power Pool, Inc., an Arkansas non-profit corporation.
- 2.27 **NET ACTUAL INTERCHANGE.** As defined in the NERC Glossary of Terms.
- 2.28 **NET SCHEDULED INTERCHANGE.** As defined in the NERC Glossary of Terms.
- 2.29 **NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION (NERC).** The North American Electric Reliability Corporation or its successor organization.
- 2.30 **OPEN ACCESS TRANSMISSION TARIFF (OATT).** FERC approved Pro-Forma Open Access Transmission Tariff.

- 2.31 **OPERATING COMMITTEE.** A committee comprised of one member from each of the Parties to this Agreement and which shall perform the duties identified in Section 18.4.
- 2.32 **PARTIES.** The SPP BA Participant and SPP that have executed this Agreement. SPP and SPP BA Participant may be individually referred to as a “Party.”
- 2.33 **PURCHASING AND SELLING ENTITY (PSE).** As defined in the NERC Glossary of Terms.
- 2.34 **RESOURCE PLAN.** A Market Participant’s plan to meet its energy obligations including specification of resource operating characteristics.
- 2.35 **SOUTHWEST POWER POOL (SPP).** Southwest Power Pool, Inc., or any successor organization, that is designated as the SPP BAA under this Agreement.
- 2.36 **SPP BALANCING AUTHORITY (SPP BA).** The responsible entity registered with the ERO as the BA, and that performs all the functions of the BA in the SPP BAA on behalf of the Parties to this Agreement.
- 2.37 **SPP BALANCING AUTHORITY AREA (SPP BAA).** The SPP BAA consists of the transmission system, load and generation resources interconnected to the SPP Transmission System, as defined under the SPP OATT, that: (a) function as a centrally coordinated system and (b) operate subject to the single set of dispatch instructions determined and issued by the SPP BA. The SPP BA maintains load-resource balance within its SPP BAA.
- 2.38 **SPP BA PARTICIPANT.** An operational entity, which is: (a) a Party to this Agreement, excluding SPP, and (b) shown in Appendix A to this Agreement. For purposes of this Agreement, an SPP BA Participant may have previously been registered as a BA under the EIS Agreement.
- 2.39 **SPP BA PARTICIPANT AREA.** The collection of generation, transmission, and loads that are within the metered boundaries of the SPP BA Participant.
- 2.40 **SPP CRITERIA.** SPP’s approved operating and planning criteria.
- 2.41 **TIE LINE.** As defined in the NERC Glossary of Terms.
- 2.42 **TRANSMISSION OPERATOR (TOP).** As defined in the NERC Glossary of Terms.
- 2.43 **TRANSMISSION OWNER (TO).** As defined in the NERC Glossary of Terms.
- 2.44 **WESTERN AREA POWER ADMINISTRATION-UPPER GREAT PLAINS REGION (“WESTERN-UGP”):** A division of the Western Area Power Administration that markets and transmits Federal power from reservoir projects under the control of the Department of the Army or the U.S. Bureau of

Reclamation. Western-UGP operates the WAUW Balancing Authority Area in the Western Interconnection, where certain of its transmission facilities are located and is also a Transmission Owner that has transferred Federal transmission facilities to the functional control of SPP.

- 2.45 **WESTERN INTERCONNECTION:** A major alternating current power grid in North America. The Western Interconnection stretches from Western Canada south to Baja California in Mexico, reaching eastward over the Rockies to the Great Plains. Western Interconnection is comprised of the states of Washington, Oregon, California, Idaho, Nevada, Utah, Arizona, Colorado, Wyoming, portions of Montana, South Dakota, Nebraska, New Mexico and Texas in the United States, the Provinces of British Columbia and Alberta in Canada, and a portion of the Comisión Federal de Electricidad's system in Baja California in Mexico.

3. GENERAL

- 3.1 **PURPOSE.** The purpose of this Agreement is to delineate the responsibilities between SPP, as the SPP BA, and the SPP BA Participants to establish the SPP BAA that facilitates the Integrated Marketplace to be implemented under the SPP OATT.
- 3.2 **OBLIGATIONS.** In carrying out obligations under this Agreement, SPP and the SPP BA Participants shall (a) follow Good Utility Practice, (b) comply with applicable policies, standards and requirements of the ERO Reliability Standards and SPP Criteria and their successors, and (c) follow applicable laws, regulations, and orders.
- 3.3. **REGISTRATION AND CERTIFICATION.** SPP shall be the SPP BA. The SPP BA will comply with the ERO's applicable BA registration and certification requirements. SPP BA Participants shall support those functions consistent with the tasks and responsibilities assigned under this Agreement.
- 3.4. **RELATIONSHIP TO MEMBERSHIP AGREEMENT.** Nothing in this Agreement shall be construed or intended to cause or effect a modification to the Membership Agreement. This Agreement is intended to be separate from the Membership Agreement. All rights and obligations currently existing under the Membership Agreement remain.
- 3.5 **RELATIONSHIP TO EIS AGREEMENT.** This Agreement shall supersede the EIS Agreement upon the effective date specified in the Agreement; provided, however, this shall not eliminate any rights or obligations relating to prior actions, which shall survive the EIS Agreement including, but not limited to, rights or obligations arising under the following provisions: (a) indemnification; (b) waivers of liability; (c) no agreement to jurisdiction; (d) default; (e) cost recovery; and (f) obligations upon termination by entities that terminated their participation in the EIS Agreement without executing this Agreement. Notwithstanding the foregoing in this Section 3.5, the SPP and the SPP BA Participants shall maintain the functionality necessary to comply with the EIS Agreement for a transition

period after Integrated Marketplace start-up as determined by the Operating Committee.

4. SPP RESPONSIBILITIES.

4.1 SPP BA. SPP shall perform all tasks necessary to fulfill the role as the SPP BA, including adherence to all applicable ERO BA Reliability Standards and requirements except as delineated in Section 5 of this Agreement.

4.2 SPP NORMAL OPERATIONS

4.2.1 SPP shall be responsible for the identification of its critical assets and related critical cyber assets necessary to support reliable operation of the Bulk Electric System. SPP shall have no responsibility to identify critical assets or related critical cyber assets of any SPP BA Participant.

4.2.2 SPP shall be responsible for maintaining its internal telecommunications facilities in an adequate and reliable manner for the exchange of interconnection and operating information necessary to maintain reliability within its respective scope of operations. SPP shall have no responsibility for maintaining any SPP BA Participant's internal telecommunications facilities for the exchange of interconnection and operating information of any SPP BA Participant.

5. SPP BA PARTICIPANT RESPONSIBILITIES

5.1 TIE LINE METERING AND TELEMETRY. Each SPP BA Participant that has or is taking actions to have, one or more Tie Line(s) with an Adjacent Balancing Authority shall have, or cause to have, the Tie Line metering and telemetry responsibilities as set forth in this Section 5.1.

5.1.1 Each SPP BA Participant having one or more Tie Line(s) with an Adjacent Balancing Authority shall provide all Tie Line flows to the SPP BA.

5.1.1.1 Each SPP BA Participant shall ensure that the Tie Line megawatt (MW) metering is telemetered to the SPP control center.

Such SPP BA Participant shall maintain and provide to SPP suitable documentation (i.e. prints, equipment specifications, records) that verifies Tie Line MW metering physical location and actual metering point

The SPP BA Participant shall operate such that the MW-hour data is telemetered or reported to the SPP BA at the end of each hour.

5.1.1.2 Each SPP BA Participant shall ensure the power flow measurements transmitted to SPP from the Tie Line meters are not filtered prior to transmission, except anti-aliasing Filters of Tie Lines.

- 5.1.1.3 Each SPP BA Participant shall ensure the installation of common metering equipment where Dynamic Schedules or pseudo-ties are implemented between SPP and an Adjacent Balancing Authority where applicable to account for the delivery of the output of units located external to the SPP BAA or to serve remote load physically external to the SPP BAA.
- 5.1.1.4 Each SPP BA Participant shall operate such that its sampling rate of data is compatible with the SPP's sampling rate of data, as specified by SPP.
- 5.1.1.5 Each SPP BA Participant shall provide SPP an inventory of all Tie Line(s) with Adjacent Balancing Authority(ies), including maps, prints, electrical drawings and diagrams, equipment descriptions as requested by SPP.
- 5.1.1.6 The SPP BA Participant shall timely inform SPP of any modifications, changes, status, and operability of the Tie Line metering equipment.
- 5.1.1.7 SPP and SPP BA Participant shall agree on the specific Tie Line (including pseudo ties), surrounding the SPP BAA.
- 5.1.1.8 Each SPP BA Participant shall maintain, re-calibrate and otherwise insure proper operation and accuracy of the Tie Line metering equipment at a frequency determined by SPP and documented in applicable SPP policies, procedures, and/or documents. Documents verifying such actions shall be provided to SPP as requested by SPP.
- 5.1.1.9 If SPP suspects inaccuracies or malfunction of Tie Line metering, SPP shall inform the SPP BA Participant. The SPP BA Participant shall take action necessary to verify timely Tie Line metering equipment accuracy and/or performance of the suspect Tie Line metering and take actions to restore data accuracy.
- 5.1.2 The addition of a Party or the withdrawal of a Party may result in the designation of an existing line as a Tie Line with an Adjacent Balancing Authority or result in an existing Tie Line with an Adjacent Balancing Authority to be no longer a Tie Line. If either event should occur, SPP shall so notify the affected SPP BA Participant. SPP and the impacted Party(ies) shall determine actions to be taken by SPP and/or the Party(ies) to conform to this Agreement in a timely manner.
- 5.2 FREQUENCY MEASUREMENTS. As may be reasonably requested by SPP, SPP BA Participants may be requested to supply SPP with frequency measurements from locations agreed to by the Parties. SPP BA Participants that are designated to provide frequency measurements to SPP shall provide accurate

frequency measurements from these location(s) with measurement quality indication.

SPP BA Participants shall perform annually, against a common reference, checks and calibrations of its time error and frequency devices used to supply SPP with data used by SPP to perform BA functions (“Actions”). For purposes of this section, “annually” shall mean “within a calendar year, with the calendar year beginning on January 1 and ending on December 31;” however, the period between subsequent annual checks and calibrations under this section shall not exceed fifteen (15) months. Documents verifying such Actions shall be provided to SPP BA as requested by SPP.

6. IMPLEMENTATION OF EMERGENCY OPERATING PLANS

6.1 SPP and each SPP BA Participant shall coordinate preparation and implementation of respective emergency operating plans. This coordination shall include, but not be limited to,

6.1.1 SPP BA Participant actions to interruption of load and/or exports as directed by SPP associated with capacity deficiencies; and,

6.1.2 SPP BA Participant actions to implement public appeals, voltage reductions, curtailment of interruptible and/or firm load as directed by SPP associated with capacity deficiencies.

7. BA OPERATING PROTOCOLS AND SPECIFIC ERO REQUIREMENT ASSIGNMENT

7.1 INITIAL ASSIGNMENT OF TASKS. Sections 4 and 5 of this Agreement set forth the tasks and responsibilities of the Parties to establish the single BA for the SPP BAA.

7.2 NEW OR MODIFIED RESPONSIBILITIES. When new and/or modified applicable responsibilities are required including those that might be initiated by the ERO, the Parties will negotiate in good faith to determine whether SPP and/or the SPP BA Participants shall ensure the performance of the new or modified responsibilities, and will amend this Agreement accordingly, pursuant to Section 17.4.

7.3 BA OPERATING PROTOCOLS. The SPP BA shall develop and maintain BA Operating Protocols that provide for operational requirements under this Agreement.

8. DATA EXCHANGE

8.1 **PARTIES' DATA EXCHANGE.** Each SPP BA Participant and SPP shall provide the information and data that a Party reasonably believes it needs and requests in order to carry out its responsibilities under this Agreement.

8.2 **CONFIDENTIALITY.** All data provided under this Section shall be considered information subject to the confidentiality provisions of Section 13 herein.

9. SPP BA PARTICIPANT COST RESPONSIBILITY. Each SPP BA Participant shall be responsible for all costs incurred by it to implement the provisions of this Agreement.

10. SANCTIONS, INQUIRIES AND ALLOWED ACTIONS

10.1 **SANCTIONS.** In the event the ERO assesses a monetary penalty against SPP as the Registered Entity BA for a violation of a Reliability Standard, SPP shall seek to recover the costs associated with the sanctions and/or monetary penalties pursuant to Attachment AP of the SPP OATT. For purposes of clarification, the term "Transmission Provider" as contained in Attachment AP shall mean SPP and the term "Member" in Attachment AP shall mean SPP BA Participants under this Agreement.

10.2 **INQUIRIES.** To the extent an SPP BA Participant's actions implementing SPP actions or directives pursuant to this Agreement are questioned, investigated or sanctioned by the ERO, the Market Monitor, or by an applicable regulatory agency, SPP shall aid the SPP BA Participant in responding to the inquiry, investigation, or sanctions.

10.3 **ALLOWED ACTIONS.** To the extent that the ERO, FERC or applicable regulatory agency determines that an SPP BA Participant's actions taken pursuant to this Agreement were inappropriate, SPP shall not require the SPP BA Participant to take such actions in the future. If the ERO, FERC or applicable regulatory agency requires that an SPP BA Participant take action inconsistent with this Agreement, SPP will allow such actions.

11. LIMITATIONS ON SPP ACTIONS

11.1 **GOVERNING DOCUMENTS.** Without limiting the generality of obligations provided in Section 3.2, SPP shall not issue any orders to any Party pursuant to this Agreement or take any action pursuant to this Agreement that SPP knows or should know is not in accordance with the Governing Documents.

11.2 **APPLICABLE LAWS.** SPP shall not issue any order to any other Party pursuant to this Agreement or take any action pursuant to this Agreement that SPP knows or should have known would cause a violation of applicable laws or tariffs.

12. INDEMNIFICATION, LIABILITIES, INSURANCE

12.1 **INDEMNIFICATION FOR THIRD PARTY CLAIMS.** Subject to Sections 12.1.1 and 12.1.2 hereof, each Party shall at all times indemnify, defend, and save harmless each

other Party to this Agreement and its officers, shareholders, directors, agents, contractors, employees, and members (*i.e.*, cooperative members and municipal joint action agency members) from and against any and all damages, losses, claims, including without limitation claims and actions relating to injury to, or death of, any person, or damage to property, demands, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties or other Parties (each, a “Claim”), but only to the extent caused by the Indemnifying Party’s (as defined below) acts or omissions during performance of its obligations under this Agreement. The term Claim shall not include civil penalties, fines, assessments or any other charges levied against a Party and recovered pursuant to Section 10 of this Agreement.

12.1.1 SOVEREIGN IMMUNITY. Notwithstanding anything to the contrary in this Agreement, no Party which has been granted sovereign tort immunity under applicable law shall have any indemnification obligation in connection with any Claim that would be subject to such immunity if brought against that Party, and nothing contained in this Agreement shall be construed as a waiver by any Party of its sovereign tort immunity.

12.1.2 NOTICE. Upon obtaining knowledge of any Claim, a Party with a right to be indemnified (“Indemnified Party”) shall promptly notify each Party who has an obligation to indemnify (“Indemnifying Party”) in writing of such Claim, provided however, that failure of the Indemnified Party timely to give notice to the Indemnifying Party shall not release the Indemnifying Party from its indemnity obligations set forth in this Agreement except to the extent that the Indemnifying Party has been actually prejudiced by such failure. Following receipt of such notice, and unless counsel to the Indemnified Party shall have determined in good faith that the assumption of such defense by the Indemnifying Party would be inappropriate due to a conflict of interest, the Indemnifying Party shall have the option, at its cost and expense, to assume the defense of such matter and to retain counsel (not reasonably objected to by the Indemnified Party) to defend any such Claim, and the Indemnifying Party shall not be liable to the Indemnified Party for any fees of other counsel or any other expenses (except as expressly provided to the contrary herein) with respect to the defense of such Claim, other than reasonable fees and expenses of counsel employed by the Indemnified Party for any period during which the Indemnifying Party has not assumed the defense thereof. The Indemnified Party shall have the option of joining the defense of such Claim with its own counsel (which shall be at the sole cost and expense of the Indemnified Party) and counsel for each of the Indemnified and Indemnifying Party shall cooperate with each other to the extent consistent with such counsel’s professional responsibilities. In effecting the settlement or compromise of, or consenting to the entry of any judgment with respect to, any such Claim (“Settlement”), the Indemnifying Party, or the Indemnified Party, as the case may be, shall act in good faith and shall consult with the other Party. The Indemnified Party shall enter into only such Settlement as the Indemnifying Party shall consent to, such prior written consent not to be unreasonably withheld, conditioned or delayed. An Indemnifying Party shall not

be liable for any Settlement not made in accordance with the preceding sentence. An Indemnifying Party shall notify the Indemnified Party reasonably in advance of entering into any Settlement of a Claim for which the Indemnifying Party has assumed the defense, and shall obtain the Indemnified Party's prior written consent thereto, not to be unreasonably withheld, conditioned or delayed, if such Settlement (i) imposes any obligation on the Indemnified Party other than, or in addition to, an obligation to pay money which the Indemnifying Party has assumed, (ii) involves any admission of wrongdoing, fault or liability on behalf of the Indemnified Party, whether express or implied, or (iii) does not fully and unconditionally release the Indemnified Party from all liability in connection with such Claim, which release shall be in form and substance reasonably satisfactory to the Indemnified Party.

12.1.3 NOTICE TO OTHER PARTIES. In the event an Indemnified Party provides notice to an Indemnifying Party pursuant to Section 12.1.2, an Indemnifying Party shall timely provide all other Parties the same notice the Indemnifying Party receives from the Indemnified Party.

12.1.4 WESTERN-UGP REQUIREMENTS. Section 12.1 does not apply to Western-UGP pursuant to the Antideficiency Act, 31 U.S.C. § 1341, et seq., as amended or supplemented. Western-UGP's liability is determined in accordance with the Federal Tort Claims Act, 28. U.S.C. § 1346(b), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.

12.2 LIABILITY LIMITATION FOR INTER-PARTY CLAIMS. No Party shall be liable to the SPP for any damages whatsoever, including, without limitation, direct, indirect, incidental, special, multiple, consequential (including without limitation attorneys' fees and litigation costs), exemplary, or punitive damages arising out of or resulting from any act or omission in any way associated with the performance of the Party's responsibilities under this Agreement, except to the extent, and only to the extent, that the Party is found liable for gross negligence or intentional misconduct, in which case the Party shall not be liable for any indirect, incidental, special, multiple, consequential (including without limitation attorneys' fees and litigation costs), exemplary or punitive damages. The SPP shall not be liable to any Party for any indirect, incidental, special, multiple, consequential (including without limitation attorneys' fees and litigation costs), exemplary or punitive damages.

12.3 INSURANCE. Each Party shall be self-insured and/or obtain adequate insurance coverage to cover liabilities, if any, under this Agreement to be effective as of the effective date of this Agreement.

13. STANDARDS OF CONDUCT, INFORMATION SHARING, CONFIDENTIALITY

13.1 SPP BA PARTICIPANTS. This Agreement does not require any SPP BA Participant to separate SPP BA Participant personnel from marketing personnel; nor does this Agreement waive any requirement of the Commission's Standards of Conduct or exempt any public utility SPP BA Participant from the Standards of

Conduct. This Section 13.1 applies to both the public utility SPP BA Participants and the non-public utility SPP BA Participants that are signatories to this Agreement.

13.1.1 In general, personnel of an SPP BA Participant performing functions under this Agreement shall keep all information received from SPP or other entities relating to its performance under this Agreement confidential and shall not disclose such information to Market Participants (including marketing personnel that are part of the same company as the SPP BA Participant) or entities which it reasonably believes may become Market Participants. Notwithstanding the foregoing, and subject to subparagraph 13.1.2(b) below, an SPP BA Participant with personnel who perform both SPP BA Participant and market functions may disclose information received from the SPP or other entities to its personnel.

13.1.2 SPP shall have the right to limit the sharing of market sensitive information related to non-affiliated Market Participants to an SPP BA Participant with personnel who perform both functions under this agreement and market functions; except when:

- (a) no other Market Participant under the Integrated Marketplace with registered resource(s) controls generation connected to a Party's facilities, or
- (b) the SPP BA Participant is a signatory to the NERC Confidentiality Agreement for Electric System Operating Reliability Data and Annex 1 thereto (Limited Operating Reliability Data Agreement for Small Bundled Entities). Each SPP BA Participant with personnel performing such dual functions shall notify SPP of that fact, and, to the extent permitted by law, the SPP BA Participant shall not disclose confidential information to third party Market Participants or third parties which it reasonably believes may become Market Participants.

13.1.3 Notwithstanding the above, SPP shall provide, to the extent necessary, information to allow the SPP BA Participant to perform its functions under this Agreement and to comply with ERO and regional reliability requirements.

13.1.4 There shall be no requirement to keep information confidential if such information is in the public domain or subject to open records laws. In addition, if the ERO requires that the SPP BA Participant provide information required to be confidential under this provision, the SPP BA Participant may provide such information to the requesting entity, provided that the SPP BA Participant shall make a good faith attempt to maintain the confidentiality of the information, notwithstanding the

information request, and provided further that, in the case of a request by a state regulatory agency for confidential information, the SPP BA Participant may provide confidential information to such state regulatory agency as necessary to satisfy state regulatory responsibilities and, subject to applicable law, only to the extent that the state regulatory agency executes a non-disclosure agreement.

- 13.2 SOUTHWEST POWER POOL. SPP, its directors, officers, employees, contractors, and agents shall adhere to the SPP Standards of Conduct with regard to all activities related to this Agreement.

14. DISPUTE RESOLUTION

- 14.1 GENERAL. These procedures are established for the equitable, efficient and expeditious resolution of disputes consistent with SPP's Bylaws. These procedures are intended to cover disputes between any two or more SPP BA Participants, or between SPP and any SPP BA Participant(s). SPP and SPP BA Participant(s) are strongly encouraged to take part in the complete process herein described prior to litigation or the utilization of other dispute resolution processes. SPP administrative involvement in the proceeding is to coordinate with an appropriate firm or panel to facilitate the resolution of the dispute and to provide meeting coordination and facilities. These procedures do not apply to disputes that are covered by the dispute resolution procedures of the SPP OATT.

- 14.2 INSTIGATION. Any SPP BA Participant may begin these dispute resolution procedures by notifying the SPP President in writing. The SPP President will inform the SPP Board of Directors of the initiation of any dispute resolution proceedings. This written notification must contain the authorized signatures of all Parties to the dispute. The notification must contain: (a) a statement of the issues in dispute; (b) the positions of each of the Parties relating to each of the issues; (c) the specific dispute resolution procedure desired; and (d) any agreed-upon modifications or specific additions to the proceedings described in this Agreement by which the dispute may be resolved.

- 14.3 DISPUTE RESOLUTION PROCESS.

- 14.3.1 In the event SPP is a party to the dispute, the parties shall engage a firm specializing in alternative dispute resolution to administer the dispute resolution process. The firm will be mutually determined by the parties and the process will be administered in accordance with this Agreement and such other SPP governing documents as may be relevant to the proceeding. In the event the parties cannot mutually agree to the engagement of a firm, the dispute resolution process will be abandoned and other available means for resolution will be pursued.

- 14.3.2 In the event SPP is not a party to the dispute, the parties to the dispute may engage a firm specializing in alternative dispute resolution to administer the dispute resolution process. The firm will be mutually determined by the parties and the process will be administered in accordance with this Agreement and such

other SPP governing documents as may be relevant to the proceeding. In the event the parties cannot mutually agree to the engagement of a firm, and do not determine some other mutually acceptable procedure, the President of SPP shall provide to each party to the dispute a list of candidates to be used in forming a three-person dispute resolution panel. The candidates shall be persons meeting the requirements for the SPP Board of Directors. The President shall then call a telephone conference meeting during which each party shall alternate striking names from the list until those remaining constitute the dispute resolution panel. This panel shall select a chair from its membership. Should any candidate decline to serve or resign from a current appointment for any reason, the candidate whose name was last struck from the list shall be contacted to serve. The President shall assign a Staff representative to assist the panel as secretary. The President shall manage the panel selection process to ensure its timely completion.

14.4 RESOLUTION PROCEDURES. The types of proceedings available for the resolution of disputes are:

- (a) an advisory proceeding to assist each party through discussion and advice, on a separate and individual basis without active participation in the joint discussions and negotiations, to resolve the dispute informally by mutual agreement;
- (b) a mediation proceeding to assist the parties through active participation in the joint discussions and negotiations (including specific recommendations of the issues in dispute) through which the parties indirectly attempt to resolve the dispute informally by mutual agreement;
- (c) a non-binding dispute resolution proceeding to hear formal evidence on factual matters related to the issues submitted, make written findings and conclusions of fact, and issue specific written recommendations for resolution of each issue in dispute;
- (d) a binding dispute resolution proceeding, provided the parties to the dispute agree to the proceeding, to hear formal evidence on factual matters related to the issues submitted, make written findings and conclusions of fact, and issue directives and awards for resolution of each issue in dispute.

The panel chair or representatives of the alternative dispute resolution firm (the "Facilitator") shall determine meeting arrangements and format necessary to efficiently expedite the resolution of the dispute, and the SPP staff secretary shall notify the parties of these details. Each party to the dispute must have at least one representative present at all related meetings with full authority to resolve the dispute. Upon conclusion of this process, the Facilitator shall notify the SPP President of its outcome. After consultation with the parties to the dispute and the Facilitator to determine the completion of the process as described herein, and/or as modified by the parties, the SPP President shall discharge the panel or firm, and notify the SPP Board of Directors of the results. The parties to the dispute agree to complete the process within 90 days from selection of the panel or firm.

The SPP staff secretary shall maintain minutes of the panel meetings, which shall become part of SPP's historical records.

- 14.5 EXPENSES. The parties to the dispute shall share equally all reasonable charges for the meeting location, administrative costs, and related travel expenses of panel members. The parties to the dispute shall also share equally all reasonable compensation for time and service of panel members and related incremental expenses of the SPP staff. The President shall determine reasonableness of time and service costs for panel members prior to process implementation. The SPP staff secretary shall account for these expenses. Each party to the dispute shall be responsible for their respective associated expenses.
- 14.6 LIABILITY. The parties to any dispute which is the subject of these dispute resolution procedures shall hold harmless SPP, its Members, Organizational Groups and each of their directors, officers, agents, employees or other representatives, and the panel members from any liabilities, claims, or damages resulting from any agreement or lack of agreement as a result of the dispute resolution proceedings. The foregoing hold harmless right shall not be extended to the parties to any given dispute or to their directors, officers, agents, employees, or other representatives.

15. NON-PERFORMANCE AND DEFAULT

- 15.1 NON-PERFORMANCE. Except as provided in Section 18.9, any failure to carry out any term of this Agreement shall be considered non-performance. A Party alleging non-performance shall provide written notice of such non-performance within seven calendar days to the alleged non-performing Party. The alleged non-performing Party then shall have seven calendar days (or some other time period agreed to by the Parties) to correct the non-performance or to dispute the non-performance pursuant to the provisions of Section 14. Each Party shall designate a person to receive notice and provide such designation to the other Parties.
- 15.2 DEFAULT. If a Party fails to correct the non-performance or fails to dispute the allegation of non-performance as provided in Section 14, or the Party is found to be a non-performing Party through the dispute resolution provisions in Section 14 and fails to take adequate corrective action, then the Party shall be considered to be in Default.
- 15.3 REMEDY FOR DEFAULT. One or more Parties, individually or collectively, may seek appropriate remedies in court, including, but not limited to, specific performance and equitable relief, in the event of a Default by another Party.

16. TERM, TERMINATION, EFFECTIVENESS, WITHDRAWAL

- 16.1 EFFECTIVE DATE AND TERM. This Agreement shall commence on the Effective Date of this Agreement as provided in Section 16.2. This Agreement shall remain in effect for two (2) years from the Effective Date and shall remain in effect from year to year thereafter unless either: (a) SPP or (b) three-fourths of

the SPP BA Participants then subject to this Agreement give one year advance notice in writing that they wish to terminate this Agreement. Termination of this Agreement is subject to approval by a regulatory agency with proper jurisdiction, including, but not limited to, FERC.

- 16.2 DETERMINATION AND LIMIT OF EFFECTIVENESS. The Agreement shall become effective on the date the Integrated Marketplace begins operations provided that the following events have occurred: (a) the ERO has certified, including on a conditional basis, that SPP can begin operations as the BA of the SPP BAA to comply with the ERO Balancing Authority Reliability Standards; (b) FERC accepts or approves the Agreement; and (c) any modifications ordered by FERC are accepted consistent with Sections 17.2 and 17.4 of this Agreement.
- 16.3 FILING. SPP has concluded that this Agreement must be filed with FERC under the Federal Power Act and its implementing regulations. Should FERC require any modification to this Agreement that adversely affects the rights or obligations of a Party, the Party may withdraw its participation in this Agreement consistent with the provisions of Section 16.5.
- 16.4 TERMINATION BY SPP. In the event SPP gives notice to terminate this Agreement, such termination shall not be effective until suitable arrangements for the provisions of its BA responsibilities are in place. Suitability of the arrangements will be determined by the BA Committee.
- 16.5 WITHDRAWAL. An SPP BA Participant may withdraw from this Agreement if: (a) the SPP BA Participant or entity of which SPP BA Participant is a part withdraws from SPP membership under the withdrawal provisions of the Membership Agreement; or (b) the SPP BA Participant or the entity of which SPP BA Participant is a part removes its transmission facilities from the SPP OATT subject to any applicable regulatory requirements; or (c) the SPP BA Participant unilaterally terminates its participation in the Agreement in its sole discretion. The SPP BA Participant shall provide at least one hundred eighty (180) days notice (or shorter time period if required by a regulatory authority with jurisdiction, or by law, or as agreed to by SPP) to SPP of such withdrawal, which withdrawal may not be effective any earlier than the date upon which the applicable conditions set forth in Section 16.5 are fully satisfied.
- 16.6 CONTINUING OBLIGATIONS. An SPP BA Participant and SPP shall be subject to the rights and responsibilities under this Agreement for any actions or inactions occurring prior to the effective date of the SPP BA Participants withdrawal or termination of this Agreement.
- 16.7 SURVIVABILITY. The provisions of this Agreement related to any indemnification obligation or any continuing obligation under Section 16 shall survive the termination of this Agreement under Section 16 or the withdrawal of a Party under Section 16 to the full extent necessary for their enforcement and the protection of the Party in whose favor they run with regard to actions or inactions occurring prior to the effective date of the termination or withdrawal, except that

in the case of withdrawal of an SPP BA Participant, no action or claim against that Participant related to this Agreement shall commence more than three years from the effective date of the withdrawal.

17. MODIFICATIONS AND AMENDMENTS

17.1 RESERVED.

17.2 OTHER MODIFICATIONS OR CONDITIONS. Except as provided in Section 17.4, the Parties intend that there will be no other modifications or conditions to this Agreement absent the agreement of the Parties. Notwithstanding anything to the contrary in this Agreement, in the event of any changes in ERO, Commission, Regional Entity, or Integrated Marketplace requirements, which materially affect this Agreement, the Parties will negotiate in good faith appropriate changes to this Agreement and will make written modifications hereto. If the Parties do not mutually agree to such changes in writing, then they will refer the issues to dispute resolution under Section 14.

17.3 MOBILE-SIERRA STANDARD. Absent a filing with the Commission to reflect the agreement of the Parties as detailed in Section 17.4, the standard of review for changes or conditions to this Agreement proposed by a Party shall be the “public interest” standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956) (the “*Mobile-Sierra*” doctrine). Notwithstanding the foregoing in this Section 17.3, if the Commission changes its policy (in existence at the time of execution) and imposes a standard different than the Mobile-Sierra presumption set forth in this provision, then the Parties shall modify this Agreement to reflect the new standard. Any changes to this Agreement shall be prospective only. The Commission’s action on the initial filing of this Agreement shall be under the just and reasonable standard.

17.4 VOTING FOR ACCEPTANCE OF MODIFICATIONS OR CONDITIONS. This Agreement may be modified or conditioned only by at least a two-thirds affirmative vote of the SPP BA Participants (each SPP BA Participant receiving one vote regardless of size) with the assent of SPP; provided, however, no such modification or condition may be imposed on a Party that does not agree to the modification or condition to the extent that the modification or condition will cause the Party to no longer be in compliance with ERO or Regional Entity requirements. SPP shall file with the Commission any modifications to this Agreement resulting from this Section 17.4, which filing will be subject to the just and reasonable standard of review. Once the Commission accepts such modifications, then such modifications shall be considered as being part of this Agreement and all applicable terms of the Agreement, including Section 17.3, shall apply to the modifications.

18. MISCELLANEOUS PROVISIONS

- 18.1 **ASSIGNMENT.** Each SPP BA Participant may assign its rights and obligations under this Agreement to another entity subject to receiving the approval of SPP; such approval shall not be unreasonably withheld.
- 18.2 **NO AGREEMENT TO JURISDICTION.** By entering into this Agreement, which shall be filed with the Commission and notwithstanding any provision in this Agreement, the SPP BA Participants are not in any way agreeing individually or collectively that their activities under this Agreement are subject to Commission jurisdiction. In addition, nothing in this Agreement shall be construed (a) to confer Commission jurisdiction over SPP BA Participants that are not public utilities as defined by the Federal Power Act, or (b) as a consent or waiver with respect to such jurisdiction, or (c) to cause a non-public utility to take any action or participate in any filing or appeal that would confer Commission jurisdiction over a non-public utility or require a non-public utility to comply with any Order or Rule issued by the Commission. A Party's actions, decisions, and performance under this Agreement, including without limitation the exercise of its rights to withdraw from or terminate this Agreement, shall not be subject to Commission approval.
- 18.3 **RESERVATION OF RIGHTS.** Nothing in this Agreement shall affect a Party's rights to argue issues that are not resolved pursuant to this Agreement in proceedings at the Commission and in the courts.
- 18.4 **OPERATING COMMITTEE.** As soon as practicable after the Effective Date, the SPP BA Participants shall form an Operating Committee. The function of the Operating Committee shall be: (a) to review performance under this Agreement, (b) to discuss issues that may arise related to such performance, (c) to review BA Operating Protocols, and, (d) if necessary or advisable, to propose amendments to this Agreement for the Parties' consideration and/or vote pursuant to Section 17.4. The Operating Committee shall be comprised of a member and an alternate for each SPP BA Participant, who has authority to bind the respective SPP BA Participant. The Operating Committee shall meet at least once each year on dates to be determined by SPP after consultation with the committee members. SPP shall facilitate such meetings and shall give reasonable written notice thereof to all Parties. At its first meeting, the Operating Committee shall, with the approval of at least two thirds of the Parties, establish procedures to govern its actions consistent with the terms of this Agreement.
- 18.5 **CONSOLIDATION OF PARTICIPANTS.** The Parties agree that any consolidations of SPP BA Participants shall be accommodated under this Agreement. This Agreement shall not be construed as inhibiting the consolidation of Participant Areas.
- 18.6 **ADDITIONAL BALANCING AUTHORITIES.** The Parties agree that any ERO certified BA or other entity that is not a signatory to this Agreement may become a signatory to this Agreement, subject to SPP approval, so long as the BA or other entity agrees to be bound by the provisions of this Agreement as an SPP BA Participant within the SPP BAA and ceases to be a BA.

18.7 GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of Arkansas, except to the extent preempted by Federal law applicable to a Federal Power Marketing Agency in a dispute involving such Party.

18.7.1 Compliance with Federal or State Law.

Notwithstanding any other provision of this Agreement, a non-jurisdictional SPP BA Participant shall not be required to take any action or do any other thing with respect to rates, charges, terms or conditions of service, the resolution of disputes under this Agreement or any other matter regarding its obligations and performance under this Agreement, that (i) the non-jurisdictional SPP BA Participant is not permitted by state law, or Federal law in the case of a Federal Power Marketing Agency, to undertake or that is prohibited in whole or in part by any Federal or state law or regulation applicable to the non-jurisdictional SPP BA Participant; or (ii) would require the non-jurisdictional SPP BA Participant to violate a provision of such state law, or Federal law in the case of a Federal Power Marketing Agency, or regulation in order to comply with this Agreement. Determination of compliance with and permissible action, conduct or obligations by a non-jurisdictional SPP BA Participant shall be within the sole jurisdiction of the non-jurisdictional SPP BA Participant's governing board, or in a dispute involving a Federal Power Marketing Agency, the Administrator of the Federal Power Marketing Agency, subject to applicable Federal or state court review. A non-jurisdictional SPP BA Participant shall not object to SPP's participation in any state proceedings that impact the non-jurisdictional SPP BA Participant's ability to perform under this Agreement or determinations regarding such impact. To the extent possible without violating state law, or Federal law in the case of a Federal Power Marketing Agency, a non-jurisdictional SPP BA Participant shall notify SPP in advance of any action that the non-jurisdictional SPP BA Participant is required to take that the non-jurisdictional SPP BA Participant believes would constitute a violation of state law, or Federal law in the case of a Federal Power Marketing Agency, and the non-jurisdictional SPP BA Participant and SPP promptly shall meet and confer regarding the matter. As necessary, the non-jurisdictional SPP BA Participant and SPP agree to negotiate in good faith to modify the Agreement as consistent as possible with the original intent to allow SPP to exercise operational authority over the non-jurisdictional SPP BA Participant's Tariff Facilities as otherwise provided in the Agreement. If the non-jurisdictional SPP BA Participant and SPP are unable to resolve the matter, the non-jurisdictional SPP BA Participant may terminate this Agreement pursuant to the withdrawal provisions of the Agreement.

18.7.2 Termination on Less Than Required Notice.

SPP BA Participant may terminate this Agreement with less than the required notice, in the event that the state law, or Federal law in the case of a Federal Power Marketing Agency, governing SPP BA Participant changes, or any provisions of this Agreement are changed or modified in a manner that causes a conflict with the SPP BA Participant's Federal or state law, regulations, or rate schedules, and the internal dispute resolution process described in Section 12 of the OATT is unable to resolve such conflict. In such event, SPP BA Participant and SPP shall meet and confer to facilitate the withdrawal as soon as practicable as necessary to ensure compliance with applicable Federal or state law.

18.7.3 Operational Authority.

A non-jurisdictional SPP BA Participant reserves the right to exercise operational authority over its tariff facilities (1) to protect public safety and the safety of its workers, to prevent damage to equipment, and to preserve reliability in compliance with NERC standards, and (2) as necessary to preserve a non-jurisdictional SPP BA Participant's rights, duties and obligations regarding electric service to its retail and wholesale native load customers pursuant to its state law, or Federal law in the case of a Federal Power Marketing Agency, and consistent with NERC standards, if SPP's exercise of operational authority over the tariff facilities would endanger said electric service or is contrary to or would curtail, surrender or delegate such state law rights, duties and obligations. A non-jurisdictional SPP BA Participant will, as soon as reasonably practicable thereafter, notify SPP of such actions taken by a non-jurisdictional SPP BA Participant. A non-jurisdictional SPP BA Participant and SPP will meet and confer regarding the matter and, as necessary, negotiate in good faith to modify the Agreement to address the matter.

18.8 **COMPLETE AGREEMENT.** This Agreement shall constitute the complete agreement of the Parties on the subject matters covered herein.

18.9 **FORCE MAJEURE.** No Party shall be considered to be in breach of this Agreement to the extent that a failure to perform its obligations, other than a payment obligation, is due to an "Uncontrollable Force." The term "Uncontrollable Force" means an event or circumstance which prevents one Party from performing its obligations, which event or circumstance is not within the reasonable control of, or the result of the negligence or intentional wrongdoing of, the claiming Party, and which by the exercise of due diligence, or Good Utility Practice, the claiming Party is unable to avoid, cause to be avoided, or overcome. Any Party rendered unable to fulfill any of its obligations by reason of an Uncontrollable Force shall give immediate notice of such fact to the other Parties and shall exercise due diligence to remove such inability within a reasonable time period. If a Party is unable to perform actions under this Agreement due to the actions of an independent third party (e.g. not a consultant or affiliate of the Party), that shall be considered an Uncontrollable Force. However, a Party whose

performance under this Agreement is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Agreement.

- 18.10 NO AGENCY RELATIONSHIP. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between or among the Parties, or any of the Parties, or to impose any partnership obligation or partnership liability upon any of the Parties. No Party shall have any right, power, or authority to enter into any agreement or undertaking for, or act on behalf of, or act as, or be, an agent or representative of, or otherwise bind, any other Party. Responsibilities undertaken or transferred to a Party shall be independently performed by that Party.
- 18.11 REPRESENTATIONS AND WARRANTIES. Each Party warrants that it possesses the necessary authority to enter into and agree to this Agreement.
- 18.12 EXECUTION BY COUNTERPARTS. This Agreement may be executed in any number of counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument as if all Parties had signed the same instrument.
- 18.13 NO THIRD PARTY BENEFICIARIES. Except as otherwise provided herein, this Agreement is not intended to, and does not create, any 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.
- 18.14 NO MARKET PARTICIPANT. The performance of functions described in this Agreement shall not cause a Party to become a Market Participant.
- 18.15 NOTICE. Each Party shall designate an individual to receive notice under this Agreement by providing the individual's name, address, phone number, and email address to the Operating Committee. The Operating Committee shall maintain the list of individuals to receive notice. It shall be the responsibility of each individual Party to update its notice information when necessary.
- 18.16. ACCESS TO BOOKS AND RECORDS.
 - 18.16.1 Upon request, SPP shall provide SPP BA Participant with access to the SPP BA's books, records, facilities, and procedures required of the BA under the ERO Reliability Standards which are reasonably necessary to determine SPP's compliance with this Agreement and/or to support the SPP BA Participant's compliance with applicable ERO Reliability Standards in the SPP BA Participant's registered roles as TO, TOP, GO, GOP, LSE, and/or PSE. Such access shall be upon reasonable notice, at reasonable times, and under reasonable conditions.

18.16.2 Upon request, each SPP BA Participant shall provide SPP with access to SPP BA Participant's books, records, facilities, and procedures as necessary to allow SPP to determine SPP BA Participant's adherence to this Agreement and/or to support SPP's compliance as a BA. Such access shall be upon reasonable notice, at reasonable times, and under reasonable conditions. Each Party shall be responsible for its own expenses related to any such request for information.

18.17 PARTICIPATION BY WESTERN-UGP SUBJECT TO FEDERAL LAWS AND REGULATIONS

18.17.1 Subject to Acts of Congress

The participation by the United States through Western-UGP in this Agreement is subject in all respects to acts of Congress and to regulations of the Secretary of Energy established thereunder, and to rate schedules promulgated by the Secretary of Energy. This reservation includes, but is not limited to, the statutory limitations upon the authority of the Secretary of Energy to submit disputes arising under this Agreement to arbitration. In the event of a conflict between this Section 18.17 and any other provision of this Agreement, this Section 18.17 shall have precedence with respect to the application of this Agreement to Western-UGP.

18.17.2 Contingent Upon Appropriations and Authorization

Where activities provided for in this Agreement extend beyond the current fiscal year, continued expenditures by the United States through Western-UGP are contingent upon Congress making the necessary appropriations required for the continued performance of the obligations of the Western-UGP under this Agreement. In case such appropriation is not made, the Parties hereby release the Western-UGP from its contractual obligations under this Agreement and from all liability due to the failure of Congress to make such appropriation.

18.17.3 Employment Practices; Contractor Agreement

For the purpose of this Federal participation provision, the term "Contract" shall mean this Agreement and the term "Contractor" shall mean a Party having transactions with Western-UGP. During the performance of this Contract, the Contractor agrees to the provisions set forth in Section 18.17 and its subdivisions. In addition, the Contractor will include the following provisions in every subcontract or purchase order involving Western-UGP unless exempted by rules, regulations, or order of the Secretary of Labor.

- (i) Equal Opportunity Employment Practices

Section 202 of Executive Order No. 11246, 30 Fed. Reg. 12319 (1965), as amended by Executive Order No. 12086, 43 Fed. Reg. 46501 (1978), which provides, among other things, that the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, is incorporated in the Contract by reference to same as if the specific language had been written into the Contract, except that Indian Tribes and tribal organizations may apply Indian Preference to the extent permitted by federal law.

(ii) Contract Work Hours and Safety Standards

The Contract, to the extent that it is of a character specified in Section 103 of the Contract Work Hours and Safety Standards Act (“Act”), 40 U.S.C. § 3701, as amended or supplemented, is subject to the provisions of the Act, 40 U.S.C. § 3701-3708, as amended or supplemented, and to regulations promulgated by the Secretary of Labor pursuant to the Act.]

(iii) Use of Convict Labor

The Contractor agrees not to employ any person undergoing sentence of imprisonment in performing the Contract except as provided by 18 U.S.C. § 3622(c), as amended or supplemented, and Executive Order No. 11755, 39 Fed. Reg. 779 (1973), as amended or supplemented.

IN WITNESS WHEREOF, the signatories have caused this Agreement Between Southwest Power Pool, Inc. and SPP BA Participant Relating to Implementation of the Southwest Power Pool Balancing Authority to be executed by their duly authorized representatives as of the dates set forth under their respective signatures.

Company: _____

By: _____

Name: _____

Title: _____

Date: _____

APPENDIX A TO ATTACHMENT AN

List of SPP BA Participants

American Electric Power

Board of Public Utilities of Kansas City, Kansas

City of Independence, Missouri

City Utilities of Springfield

The Empire District Electric Company

Grand River Dam Authority

Kansas City Power & Light Company

KCP&L Greater Missouri Operations Company

Lincoln Electric System

Nebraska Public Power District

Oklahoma Gas and Electric Company

Omaha Public Power District

Southwestern Public Service Company

Sunflower Electric Power Corporation

Westar Energy, Inc.

Western Area Power Administration-Upper Great Plains Region (Upper Great Plains East
Balancing Authority Area-WAUE)

Western Farmers Electric Cooperative

ATTACHMENT AP
ALLOCATION OF COSTS ASSOCIATED WITH RELIABILITY PENALTY
ASSESSMENTS

Under the NERC Functional Model and NERC Rules of Procedure, the Transmission Provider may be assessed penalties for confirmed violations of the NERC Reliability Standards. The purpose of this Attachment is to provide notice to all Market Participants, Members, and Terminated Members (as defined in this Attachment AP) that they may potentially be responsible for penalty costs assessed against the Transmission Provider for confirmed violations of any NERC Reliability Standard. Market Participants, Members, and Terminated Members may be either directly assigned such penalty costs, if it is determined that they are responsible for or have directly contributed to the confirmed violations at issue, or may be assigned a portion of the costs, if the Transmission Provider is assessed a monetary penalty either due to its own confirmed violation or its status, as a Registered Entity under the NERC Functional Model and NERC Rules of Procedure.

This Attachment also provides for the recovery of costs associated with penalties assessed against the Transmission Provider for confirmed violations of NERC Reliability Standards resulting from a confirmed violation of NERC Reliability Standards by a Market Participant(s), Member(s), Terminated Member(s), the Transmission Provider, or another entity for whom Transmission Provider is assessed a penalty due to its status as a Registered Entity under the NERC Functional Model and NERC Rules of Procedure. Under this Attachment, the Transmission Provider may seek recovery of the costs associated with any monetary penalty by filing under section 205 of the Federal Power Act for direct recovery of penalty costs from one or more Market Participants, Members, or Terminated Members and/or for an allocation of penalty costs among all Market Participants, Members, and Terminated Members. Additionally, this Attachment provides for the participation of Market Participants, Members, and Terminated Members in the penalty assessment process with the Transmission Provider if the Market Participant, Member, or Terminated Member is alleged to have been directly involved in the event causing the potential penalty.

1. Definitions

All defined terms in this Attachment shall have the meaning given to them in the Tariff unless otherwise stated below.

Compliance Monitoring and Enforcement Program – The program used by NERC and the Regional Entities to monitor, assess, and enforce compliance with Reliability Standards within the United States. This is accomplished through compliance monitoring and audits, as well as the conduct of investigations and the assessment of monetary and non-monetary penalties for violations.

Electric Reliability Organization or ERO – An organization certified by the Commission to develop and enforce mandatory reliability standards and assess penalties against users, owners and operators of the bulk power system that violate such standards.

North American Electric Reliability Corporation (“NERC”) – The organization designated as ERO by the Commission on July 20, 2006.

NERC Compliance Registry – The registry maintained by NERC that records which Registered Entity is responsible for performing the set of functions required to ensure compliance with each NERC Reliability Standard.

NERC Functional Model – The Model defining the set of functions that must be performed to ensure the reliability of the electric bulk power system. The NERC Reliability Standards establish the requirements of the responsible entities that perform the functions defined in the Functional Model.

NERC Reliability Standards – Standards developed by NERC and approved by the Commission to ensure reliability of the bulk power system, violation of which may result in the imposition of mitigation programs or monetary penalties.

NERC Rules of Procedure – The rules and procedures developed by NERC and approved by the Commission. These rules include the process by which a responsible entity, who is to perform a set of functions to ensure the reliability of the electric bulk power system, must register as a Registered Entity.

Registered Entity – The entity registered under the NERC Functional Model and NERC Rules of Procedures for the purpose of compliance with NERC Reliability Standards and responsible for carrying out the tasks within a NERC function without regard to whether a task(s) is performed by another entity pursuant to the terms of its governing documents.

Regional Entity (RE)– NERC has designated the Transmission Provider as “Regional Entity” in the SPP region and has delegated ERO functions to Transmission Provider in the region.

Terminated Member – An entity that was a Member of SPP at the time that the conduct giving rise to a reliability penalty occurred, but that has since terminated its SPP Membership.

2. Direct Assignment of Costs Where Violation Can Be Directly Assigned

The purpose of this section of this Attachment is to provide notice to all Market Participants, Members, and Terminated Members that they may potentially be responsible for reliability penalty costs assessed in the event that the Market Participant’s, Member’s, or Terminated Member’s conduct or omission contributed to the violation(s) for which a monetary penalty was assessed to the Transmission Provider. This section provides for notification for the potential direct assignment of costs related to reliability violations that may be assessed to the Transmission Provider. The Transmission Provider shall notify, in writing, any potentially affected Member(s), Market Participant(s), or Terminated Members of an alleged violation as soon as possible after notifications by the RE or NERC of the commencement of procedures under the Compliance Monitoring and Enforcement Program. In addition, the Transmission Provider will invite the affected Member(s), Market Participant(s), or Terminated Member(s) to fully participate in all discussions and/or proceedings under the Compliance Monitoring and Enforcement Program.

If there is i) an assessment of a monetary penalty against the Transmission Provider as the Registered Entity for a confirmed violation of a NERC Reliability Standard(s) and ii) as a result of proceedings under the Compliance Monitoring and Enforcement Program, it is determined that one or more Market Participants, Members, Terminated Members, or Registered Entities are deemed to have directly contributed to or found to have been a “root cause(s)” of such confirmed violation(s), such Market Participant(s), Member(s), or Terminated Member(s) may be assessed a portion of or all of the monetary penalty; provided that all of the following conditions have been satisfied:

(1) During the course of an investigation by NERC, the RE or the Commission regarding the possibility of a Transmission Provider alleged violation of a NERC Reliability Standard, if the Transmission Provider believes that a Market Participant(s), Member(s), or Terminated Member(s) may have contributed to the violation under investigation, the Transmission Provider will provide a) reasonable prior written notice to the Market Participant(s), Member(s), or Terminated Member(s) that the Transmission Provider believes may have contributed to the violation and that it intends to seek to hold the Market Participant(s), Member(s), or Terminated Member(s) responsible for a portion of or all of the monetary penalties that result; and b) the Market Participant(s), Member(s), or Terminated Member(s) is provided the opportunity to fully participate in all discussions and/or proceedings under the Compliance Monitoring and Enforcement Program.

(2) In addition to the Transmission Provider providing sufficient notice to a Market Participant(s), Member(s), or Terminated Member(s) under Section 2(1) of this Attachment, it will also provide notice to NERC, the RE and the Commission of its allegations that the Market Participant(s), Member(s), or Terminated Member(s) may have contributed to the alleged violation and that the Transmission Provider intends to hold the Market Participant(s), Member(s), or Terminated Member(s) responsible for a portion of or all of the monetary penalties that result from the investigation which determines to what extent the Market Participant(s), Member(s), or Terminated

Member(s) contributed to or was a “root cause(s)” of the confirmed violation; (3) If, as a result of proceedings under the Compliance Monitoring and Enforcement Program, it is determined that the Market Participant(s), Member(s), or Terminated Member(s) cited by the Transmission Provider contributed to or was a “root cause(s)” of the alleged violation, the Transmission Provider will seek to hold the Market Participant(s), Member(s), or Terminated Member(s) responsible for a portion of or all of the monetary penalty assessed as a result of the confirmed violation by making a filing with the Commission under section 205 of the Federal Power Act to assign a portion of or all of the costs of the monetary penalty directly to the Market Participant(s), Member(s), or Terminated Member(s);

(4) If the Commission accepts the filing, the Market Participant(s), Member(s), or Terminated Member(s) shall be responsible for its portion of the monetary penalty as determined by the Commission’s order on the section 205 filing.

3. Spreading of Costs Where Violation Cannot Be Directly Assigned

The purpose of this section of this Attachment is to provide notice to all Market Participants, Members, and Terminated Members that they may potentially be responsible for reliability penalty costs assessed to the Transmission Provider that cannot be directly assigned under Section 2 of this Attachment. This section provides for a spreading of a portion of or all of such reliability penalty costs among all Market Participants, Members, and Terminated Members where the Transmission Provider itself is responsible for a confirmed violation of a Reliability Standard or where the Transmission Provider is assessed a penalty because of its status as a Registered Entity for a given Reliability Standard and the entity responsible for the violation cannot be assessed a penalty because of its status. The Transmission Provider shall notify, in writing, any potentially affected Market Participant(s), Member(s), or Terminated Member(s) of an alleged or confirmed violation as soon as possible after notifications by the RE or NERC of the commencement of procedures under the Compliance Monitoring and Enforcement Program. In addition, the Transmission Provider will i) invite the affected Member(s), Market Participant(s), or Terminated Member(s) to fully participate in all discussions and/or proceedings

under the Compliance Monitoring and Enforcement Program and ii) timely report status and results of the findings and remedies to the Market Participants, Members, and Terminated Members.

If there is an assessment of a monetary penalty against the Transmission Provider as the Registered Entity for a confirmed violation of a NERC Reliability Standard(s), either: (1) as a result of the Transmission Provider's own conduct or omission that resulted in a confirmed violation; or (2) as a result of a violation by another entity for whom the Transmission Provider is the Registered Entity where the entity is not on the NERC Compliance Registry and therefore cannot be directly assessed a penalty because of its status; Market Participants, Members, and Terminated Members may be assessed a portion of the monetary penalty providing the following conditions have been satisfied:

- (1) The Transmission Provider has made a filing under section 205 of the Federal Power Act proposing a methodology to allocate a portion of or all of the costs of the monetary penalty among the Market Participants, Members, and Terminated Members;
- (2) If the Commission accepts the filing and finalizes such penalty allocations to the Market Participants, Members, and Terminated Members.

4. Penalties allocated or attributable to Western-UGP

Notwithstanding anything in this Attachment to the contrary, Western-UGP has not waived or conceded any defense it may have, including sovereign immunity, intergovernmental immunity, or lack of subject matter jurisdiction in any action against it by an Enforcement Authority, nor has Western accepted any liability, responsibility, or obligation to pay any civil monetary penalties or fines imposed by an Enforcement Authority to which it would not have been subject in the absence of this Agreement. "Enforcement Authority" in this Agreement means the Commission, ERO, or RE with enforcement authority pursuant to a delegation from an ERO or FERC for the purpose of proposing and enforcing reliability standards. The Transmission Provider does not concede or accept responsibility for any portion of a penalty or

fine attributable to the actions or omissions of Western-UGP. The Transmission Provider will identify the amount of any penalty or fine that the Transmission Provider allocates to Western-UGP or that the Transmission Provider determines is attributable to Western-UGP and will identify that amount to FERC as uncollectable and not otherwise owed by the Transmission Provider.

Southwest Power Pool, Inc.
Open Access Transmission Tariff
Sixth Revised Volume No. 1
Superseding
Fifth Revised Volume No. 1

I. COMMON SERVICE PROVISIONS

- 1 Definitions
 - A - Definitions
 - B - Definitions
 - C - Definitions
 - D - Definitions
 - E - Definitions
 - F - Definitions
 - G - Definitions
 - H - Definitions
 - I - Definitions
 - J - Definitions
 - K - Definitions
 - L - Definitions
 - M - Definitions
 - N - Definitions
 - O - Definitions
 - P - Definitions
 - Q - Definitions
 - R - Definitions
 - S - Definitions
 - T - Definitions
 - U - Definitions
 - V - Definitions
 - W - Definitions
 - XYZ - Definitions
- 2 Initial Allocation and Renewal Procedures
 - 2.1 Initial Allocation of Available Transfer Capability
 - 2.2 Reservation Priority For Existing Firm Service Customers
- 3 Ancillary Services
- 4 Open Access Same-Time Information System (OASIS)
- 5 Local Furnishing Bonds
 - 5.1 Transmission Owners That Own Facilities Financed by Local Furnishing Bonds or that are Tax Exempt Entities
 - 5.2 Alternative Procedures for Requesting Transmission Service
- 6 Reciprocity
- 7 Billing and Payment
 - 7.1 Billing Procedure
 - 7.2 Interest on Unpaid Balances
 - 7.3 Financial Security Held By SPP
 - 7.4 Customer Default
- 8 Accounting for Use of the Tariff
 - 8.1 Study Costs and Revenues
- 9 Regulatory Filings
- 10 Force Majeure and Indemnification
 - 10.1 Force Majeure

- 10.2 Liability
 - 10.3 Indemnification
 - 10.4 Further Limitation of Liability
 - 10.5 Transmission Provider Recovery
- 11 Creditworthiness
- 12 Dispute Resolution Procedures
 - 12.1 Internal Dispute Resolution Procedures
 - 12.2 External Arbitration Procedures
 - 12.3 Arbitration Decisions
 - 12.4 Costs
 - 12.5 Rights Under The Federal Power Act
- II. POINT-TO-POINT TRANSMISSION SERVICE
- 13 Nature of Firm Point-To-Point Transmission Service
 - 13.1 Term
 - 13.2 Reservation Priority
 - 13.3 Use of Firm Transmission Service by the Transmission Owners
 - 13.4 Service Agreements
 - 13.5 Transmission Customer Obligations for Facility Additions or Redispatch Costs
 - 13.6 Curtailment of Firm Transmission Service
 - 13.7 Classification of Firm Transmission Service
 - 13.8 Scheduling of Firm Point-To-Point Transmission Service
- 14 Nature of Non-Firm Point-To-Point Transmission Service
 - 14.1 Term
 - 14.2 Reservation Priority
 - 14.3 Use of Non-Firm Point-To-Point Transmission Service by the Transmission Owner(s)
 - 14.4 Service Agreements
 - 14.5 Classification of Non-Firm Point-To-Point Transmission Service
 - 14.6 Scheduling of Non-Firm Point-To-Point Transmission Service
 - 14.7 Curtailment or Interruption of Service
- 15 Service Availability
 - 15.1 General Conditions
 - 15.2 Determination of Available Transfer Capability
 - 15.3 Initiating Service in the Absence of an Executed Service Agreement
 - 15.4 Obligation to Provide Transmission Service that Requires Expansion or Modification of the Transmission System
 - 15.5 Deferral of Service
 - 15.6 Other Transmission Service Schedules
 - 15.7 Real Power Losses
- 16 Transmission Customer Responsibilities
 - 16.1 Conditions Required of Transmission Customers
 - 16.2 Transmission Customer Responsibility for Third-Party Arrangements
- 17 Procedures for Arranging Firm Point-To-Point Transmission Service
 - 17.1 Application
 - 17.1a Time Requirements

- 17.2 Completed Application
- 17.3 Credit Arrangements
- 17.4 Notice of Deficient Application
- 17.5 Response to a Completed Application
- 17.6 Execution of Service Agreement
- 17.7 Extensions for Commencement of Service
- 17.8 Designated Resources Using Long-Term Point-To-Point Transmission Service
- 17.9 Interconnection of Delivery Points
- 18 Procedures for Arranging Non-Firm Point-To-Point Transmission Service
 - 18.1 Application
 - 18.2 Completed Application
 - 18.3 Timing of Requests and Responses Regarding Reservation of Non-Firm Point-To-Point Transmission Service
 - 18.4 Determination of Available Transfer Capability
- 19 Additional Study Procedures For Firm Point-To-Point Transmission Service Requests
 - 19.1 Notice of Need for System Impact Study
 - 19.2 System Impact Study Agreement and Cost Reimbursement
 - 19.3 System Impact Study Procedures
 - 19.4 Facilities Study Procedures
 - 19.5 Facilities Study Modifications
 - 19.6 Due Diligence in Completing New Facilities
 - 19.7 Partial Interim Service
 - 19.8 Expedited Procedures for New Facilities
 - 19.9 Reporting Failure to Meet Study Deadlines
- 20 Procedures if The Transmission Provider is Unable to Complete New Transmission Facilities for Firm Point-To-Point Transmission Service
 - 20.1 Delays in Construction of New Facilities
 - 20.2 Alternatives to the Original Facility Additions
 - 20.3 Refund Obligation for Unfinished Facility Additions
- 21 Provisions Relating to Transmission Construction and Services on the Systems of Other Utilities
 - 21.1 Responsibility for Third-Party System Additions
 - 21.2 Coordination of Third-Party System Additions
- 22 Changes in Service Specifications
 - 22.1 Modifications On a Non-Firm Basis
 - 22.2 Additional Charge To Prevent Abuse
 - 22.3 Modification On a Firm Basis
- 23 Sale or Assignment of Transmission Service
 - 23.1 Procedures for Assignment or Transfer of Service
 - 23.2 Limitations on Assignment or Transfer of Service
 - 23.3 Information on Assignment or Transfer of Service
- 24 Metering and Power Factor Correction at Receipt and Delivery Points(s)
 - 24.1 Transmission Customer Obligations
 - 24.2 Transmission Provider Access to Metering Data

	24.3	Power Factor
25		Compensation for Transmission Service
26		Stranded Cost Recovery
27		Compensation for New Facilities and Redispatch Costs
III.		NETWORK INTEGRATION TRANSMISSION SERVICE
28		Nature of Network Integration Transmission Service
	28.1	Scope of Service
	28.2	Transmission Provider and Transmission Owners Responsibilities
	28.3	Network Integration Transmission Service
	28.4	Secondary Service
	28.5	Real Power Losses
	28.6	Restrictions on Use of Service
29		Initiating Service
	29.1	Condition Precedent for Receiving Service
	29.2	Application Procedures
	29.3	Technical Arrangements to be Completed Prior to Commencement of Service
	29.4	Network Customer Facilities
	29.5	Filing of Service Agreement
30		Network Resources
	30.1	Designation of Network Resources
	30.2	Designation of New Network Resources
	30.3	Termination of Network Resources
	30.4	Operation of Network Resources
	30.5	Network Customer Redispatch Obligation
	30.6	Transmission Arrangements for Network Resources Not Physically Interconnected With The Transmission Provider
	30.7	Limitation on Designation of Network Resources
	30.8	Use of Interface Capacity by the Network Customer
	30.9	Network Customer Owned Transmission Facilities
31		Designation of Network Load
	31.1	Network Load
	31.2	New Network Loads Connected With the Transmission Provider
	31.3	Network Load Not Physically Interconnected with the Transmission Provider
	31.4	New Interconnection Points
	31.5	Changes in Service Requests
	31.6	Annual Load and Resource Information Updates
32		Additional Study Procedures For Network Integration Transmission Service Requests
	32.1	Notice of Need for System Impact Study
	32.2	System Impact Study Agreement and Cost Reimbursement
	32.3	System Impact Study Procedures
	32.4	Facilities Study Procedures
	32.5	Penalties for Failure to Meet Study Deadlines
	32.6	Facilities Study Modifications

- 32.7 Due Diligence in Completing New Facilities
- 32.8 Partial Interim Service
- 32.9 Expedited Procedures for New Facilities
- 32.10 Delays in Construction of New Facilities
- 32.11 Alternatives to the Original Facility Additions
- 33 Load Shedding and Curtailments
 - 33.1 Procedures
 - 33.2 Transmission Constraints
 - 33.3 Cost Responsibility for Relieving Transmission Constraints
 - 33.4 Curtailments of Scheduled Deliveries
 - 33.5 Allocation of Curtailments
 - 33.6 Load Shedding
 - 33.7 System Reliability
- 34 Rates and Charges
 - 34.1 Monthly Demand Charge for all Zones except Zone 1
 - 34.2 Monthly Demand Charge – Zone 1
 - 34.3 Monthly Demand Charge – Zone 11
 - 34.4 Determination of Network Customer's Monthly Network Load
 - 34.5 Determination of Transmission Provider's Monthly Zone Transmission Load
 - 34.6 Redispatch Charge
 - 34.7 Stranded Cost Recovery
 - 34.8 SPP Costs
- 35 Operating Arrangements
 - 35.1 Operation under the Network Operating Agreement
 - 35.2 Network Operating Agreement
- 36 Scheduling
- IV. SPECIAL RULES ON USE OF TARIFF
 - 37 During Transition Period
 - 37.1 Service Not Required for Bundled Customers or Customers Under Retail Access Programs
 - 37.2 Availability of Network Integration Transmission Service
 - 37.3 Unbundled Wholesale
 - 37.4 Grandfathered Transactions
 - 38 After Transition Period
 - 38.1 Applicability to Retail Load Having Choice
 - 38.2 Applicability to All Retail Load Not Having Choice
 - 38.3 Grandfathered Agreements
 - 39 Applicability of Non-Rate Terms and Conditions
 - 39.1 Subject to State Laws and Regulations and Public Power Rate Schedules
 - 39.2 Bundled Retail and Grandfathered Load
 - 39.3 Participation by ~~the United States~~ Western-UGP Subject to Federal Laws and Regulations
 - 39.4 Applicability to Rural Electric Cooperatives
- V. RECOVERY OF COSTS FOR BASE PLAN UPGRADES AND APPROVED BALANCED PORTFOLIOS

40	Base Plan Zonal Charge and Region-wide Charge
41	Applicability to Resident Load
42	Applicability to Point-To-Point Transmission Service
SCHEDULE 1	
	Scheduling, System Control and Dispatch Service
SCHEDULE 1-A	
	Tariff Administration Service
SCHEDULE 2	
	Reactive Supply and Voltage Control from Generation or Other Sources Service
SCHEDULE 3	
	Regulation and Frequency Response Service
SCHEDULE 4	
	Energy Imbalance Service
SCHEDULE 5	
	Operating Reserve - Spinning Reserve Service
SCHEDULE 6	
	Operating Reserve - Supplemental Reserve Service
SCHEDULE 7	
	Long-Term Firm and Short-Term Firm Point-To-Point Transmission Service
SCHEDULE 8	
	Non-Firm Point-To-Point Transmission Service
SCHEDULE 9	
	Network Integration Transmission Service
SCHEDULE 10	
	Wholesale Distribution Service
SCHEDULE 11	
	Base Plan Zonal Charge and Region-wide Charge
SCHEDULE 12	
	FERC Assessment Charge
ATTACHMENT A	
	Form Of Service Agreement For Firm Point-To-Point Transmission Service
ATTACHMENT A-1	
	Form Of Service Agreement For The Resale, Reassignment Or Transfer Of Point-To-Point Transmission Service
ATTACHMENT B	
	Form Of Service Agreement For Non-Firm Point-To-Point Transmission Service
ATTACHMENT C	
	Methodology To Assess Available Transfer Capability
ATTACHMENT D	
	Methodology for Completing a System Impact Study
ATTACHMENT E	
	Index Of Point-To-Point Transmission Service Customers
ATTACHMENT F	
	Service Agreement For Network Integration Transmission Service
ATTACHMENT G	
	Network Operating Agreement

ATTACHMENT H

Annual Transmission Revenue Requirement for Network Integration Transmission Service

ATTACHMENT I

Index Of Network Integration Transmission Service Customers

ATTACHMENT J

Recovery Of Costs Associated With New Facilities

ATTACHMENT K

Redispatch Procedures and Redispatch Costs

ATTACHMENT L

Treatment Of Revenues

ATTACHMENT M

Loss Compensation Procedure

ATTACHMENT N

[Reserved for Future Use]

ATTACHMENT O

Transmission Planning Process

ATTACHMENT P

Transmission Service Timing Requirements

ATTACHMENT Q

Form of Application For Short-Term Firm and Non-Firm Transmission Service

ATTACHMENT R

North American Electric Reliability Council Transmission Loading Relief (“TLR”) Procedure

ATTACHMENT R-1

North American Energy Standards Board Business Practices

ATTACHMENT S

Procedure for Calculation of MW-Mile Impacts for Use in Revenue Requirements, Revenue Allocation and Determination of Losses

ATTACHMENT T

Rate Sheets For Point-To-Point Transmission Service

ATTACHMENT U

Rate Schedule For Compensation For Rescheduled Maintenance Costs

ATTACHMENT V

Coordinated Generation Interconnection Procedures

ATTACHMENT W

Index of Grandfathered Agreements

ATTACHMENT X

Credit Policy

ATTACHMENT Y

Transmission Owner Designation Process

ATTACHMENT Z1

Aggregate Transmission Service Study Procedures and Cost Allocation and Recovery for Service Upgrades

ATTACHMENT Z2

Revenue Crediting for Upgrades

ATTACHMENT AA

Reserved for Future Use

ATTACHMENT AB

Reserved For Future Use

ATTACHMENT AC

Reservation Processing Method For Short Term Firm Transmission Service

ATTACHMENT AD

Southwestern Power Administration Agreement Between United States Of America and
Southwest Power Pool, Inc.

ATTACHMENT AE

Integrated Marketplace

ATTACHMENT AF

Market Power Mitigation Plan

ATTACHMENT AG

Market Monitoring Plan

ATTACHMENT AH

Market Participant Service Agreement

ATTACHMENT AI

Transmission Definition

ATTACHMENT AJ

Reserved for Future Use

ATTACHMENT AK

Treatment of Reserve Sharing Charges and Revenues

ATTACHMENT AL

Form of Non-Disclosure Agreement for Authorized Requestors

ATTACHMENT AM

Meter Agent Services Agreement

ATTACHMENT AN

Balancing Authorities Agreement

ATTACHMENT AO

Agreement Establishing External Generation Non-Physical Electrical Interconnection
Point

ATTACHMENT AP

Allocation of Cost Associated with Reliability Penalty Assessments

ATTACHMENT AQ

Delivery Point Addition Process

ATTACHMENT AR

Screening Study

B - Definitions

Balanced Portfolio: A set of transmission upgrades that provides economic benefits across the SPP Region that meet the requirements in Sections IV.3 and IV.4 of Attachment O.

Balanced Portfolio Region-wide Annual Transmission Revenue Requirement: The annual transmission revenue requirement for an approved Balanced Portfolio determined in accordance with Attachment J to this Tariff.

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

- (1) Match, at all times, the power output of the generators within the electric power system(s) and capacity and energy purchased from entities outside the electric power system(s), with the load within the electric power system(s);
- (2) Maintain scheduled interchange with other Balancing Authority Areas, within the limits of Good Utility Practice;
- (3) Maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and
- (4) Provide for sufficient generating capacity to maintain operating reserves in accordance with Good Utility Practice.

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.

Base Plan Region-wide Annual Transmission Revenue Requirement: The sum of the annual transmission revenue requirement for each Base Plan Upgrade and of the Accredited Revenue Requirement(s), if any, that are allocated to the SPP Region in accordance with Attachment J to this Tariff.

Base Plan Upgrades: Those upgrades included in and constructed pursuant to the SPP Transmission Expansion Plan in order to ensure the reliability of the Transmission System. Base Plan Upgrades shall also include: (i) those Service Upgrades required for new or changed Designated Resources to the extent allowed for in Attachment J to this Tariff, (ii) ITP Upgrades that are approved for construction by the SPP Board of Directors, and (iii) high priority upgrades, excluding Balanced Portfolios, that are approved for construction by the SPP Board of Directors. For Zones 1 through 15, all such upgrades shall specifically exclude planned Transmission System facilities identified in the SPP Transmission Expansion Plan that are: (i) placed in service during the 2005 calendar year or (ii) required to be in service to meet the SPP Criteria and the NERC Reliability Standards for the summer of 2005. For Zones 16, 17, and 18, all such upgrades shall specifically exclude planned Transmission System facilities in those zones identified in the SPP Transmission Expansion Plan Report (2009 – 2018) that are required to be in service to meet the SPP Criteria and the NERC Reliability Standards for the summer of 2008 or which are in operation prior to January 1, 2009, except for those upgrades that are in service prior to January 1, 2009 and are components of Phase 1 of the NPPD 345kV Norfolk to Lincoln (ETR) project or OPPD Sub 1255/3455 Transformer project. Network Upgrades that are components of Phase 1 of the NPPD 345kV Norfolk to Lincoln (ETR) project or OPPD Sub 1255/3455 Transformer project that are in service prior to January 1, 2009 will be Base Plan Upgrades, however, the Zonal component of the costs shall be 100% allocated to the respective host zone. The Base Plan Upgrades in Zones 1 through 18 identified by the Transmission Provider with a need date prior to October 1, 2015 shall not be allocable to Zone 19. The upgrades in Zone 19 identified by the Transmission Provider with a need date prior to October 1, 2015, shall not constitute Base Plan Upgrades. The facilities identified in Schedule 2 to Attachment J are expressly deemed to be Base Plan Upgrades pursuant to Attachment J, Section III.A.2.

Base Plan Zonal Annual Transmission Revenue Requirement: For each Zone, the sum of the annual transmission revenue requirement for each Base Plan Upgrade and of the Accredited Revenue Requirement(s), if any, that are allocated to the Zone in accordance with Attachments J and S to this Tariff.

Base Plan Zonal Charge: Zonal component of the charge assessed by the Transmission Provider in accordance with Schedule 11 to recover the revenue requirement of facilities classified as Base Plan Upgrades.

Base Plan Zonal Load Ratio Share: Ratio of a Network Customer's or Transmission Owner's Resident Load in a Zone to the total load in that Zone computed in accordance with Section II.A. to Schedule 11 of this Tariff and calculated on a calendar year basis, for the prior calendar year. *Customer loads used to determine the Base Plan Zonal Load Ratio Share shall be adjusted for real power losses in accordance with the provisions set out in Section 28.5 of this Tariff.*

Base Plan Zonal Rate: Zonal component of the rate (per kW of Reserved Capacity for Point-To-Point Transmission Service) assessed by the Transmission Provider in accordance with Schedule 11 to recover the revenue requirement of facilities classified as Base Plan Upgrades.

Business Day: A day on which the Federal Reserve System is open for business.

E - Definitions

Eastern Interconnection: A major alternating-current electrical grid in North America. The Eastern Interconnection reaches from Central Canada eastward to the Atlantic coast (excluding Quebec), south to Florida, and back west to the foot of the Rockies (excluding most of Texas).

Effective Date: For Short-Term Firm and Non-Firm Point-To-Point Transmission Service the Effective Date of this Tariff is June 1, 1998. For Long-Term Firm Point-To-Point Transmission Service the Effective Date of this Tariff is April 1, 1999. For Network Integration Transmission Service the Effective Date of this Tariff is February 1, 2000.

Eligible Customer: (i) Any electric utility (including the Transmission Owner(s) and any power marketer), Federal ~~p~~Power ~~M~~marketing ~~a~~Agency, or any person generating electric energy for sale for resale. Electric energy sold or produced by such entity may be electric energy produced in the United States, Canada or Mexico. However, with respect to transmission service that the Commission is prohibited from ordering by Section 212(h) of the Federal Power Act, such entity is eligible only if the service is provided pursuant to a state requirement that a Transmission Owner offer the unbundled transmission service, or pursuant to a voluntary offer of such service by a Transmission Owner. (ii) Any retail customer or eligible person taking unbundled transmission service pursuant to a state requirement that a Transmission Owner offer the transmission service, or pursuant to a voluntary offer of such service by a Transmission Owner, is an Eligible Customer under the Tariff.

Emergency Condition: A condition or situation determined by the Transmission Provider that is imminently likely to cause a material adverse effect on the security of, or damage to the Transmission System.

Energy and Operating Reserve Markets: The Day-Ahead Market and Real-Time Balancing Market, including the Reliability Unit Commitment processes.

External Resource: A Resource, other than a Designated Resource, located outside of the SPP Balancing Authority that is included in the SPP Balancing Authority through an External Resource Pseudo-Tie.

External Resource Pseudo-Tie: A non-physical electrical interconnection point between Balancing Authorities, whereby all or a portion of an External Resource is electronically moved from a Balancing Authority external to the SPP Balancing Authority. Energy delivered from an External Resource to the SPP Balancing Authority is treated as a Balancing Authority interchange from the source Balancing Authority to the SPP Balancing Authority.

F - Definitions

Facilities Study: An engineering study conducted by the Transmission Provider in collaboration with the affected Transmission Owner(s) to determine the required modifications to the Transmission System, including the cost and scheduled completion date for such modifications, that will be required to provide the requested transmission service or Generation Interconnection Service. The Transmission Provider shall have the ultimate responsibility for any such studies. However, the Transmission Provider's final decision must be consistent with Good Utility Practice. Facilities studies for any facilities not under the operational control of the Transmission Provider shall be performed by the Transmission Owner or any entity it designates to perform the studies.

Feasibility Study: A coordinated preliminary determination by the Transmission Provider and the affected Transmission Owner(s) of the Attachment Facilities, other Direct Assignment Facilities, and system upgrades that are needed to accept power into the grid at the interconnection receipt point, that will be necessary to accommodate a Generation Interconnection Request made under Attachment V.

Federal Power-Southwestern: All power and energy generated at reservoir projects under the control of the Department of the Army in the marketing area of the Southwestern Power Administration (Southwestern) plus power and energy delivered to Southwestern from other sources for the purpose of fulfilling Southwestern's contractual obligations for the sale of power and energy pursuant to Southwestern's Federal power allocations.

Federal Power-Western-UGP: All power and energy generated at reservoir projects under the control of the Department of the Army or the Bureau of Reclamation in the marketing area of the Western-UGP for the purpose of fulfilling Western-UGP's Statutory Load Obligations for the sale of power and energy. This shall also include any power and energy delivered to or from Western-UGP under the grandfathered bi-directional agreement with Southwestern Power Administration through Associated

Electric Cooperative, Inc. (“AECI”) for delivery and receipt at AECI’s Maryville Substation. Western-UGP’s deliveries to Southwestern shall be considered part of Western-UGP’s Statutory Load Obligations, and receipts from Southwestern to Western-UGP will be considered as coming from Federal resources. Federal Power-Western-UGP resources shall be eligible to be considered as Designated Resources.

Federal Power Marketing Agency: This term shall include the term “Federal Power Marketing Administration” and have the same definition that is set forth in the Federal Power Act at 16 U.S.C. § 796(19), which defines “Federal power marketing agency” as “any agency or instrumentality of the United States (other than the Tennessee Valley Authority) which sells electric energy[.]”

Federal Service Exemption: Western-UGP’s exemption from certain charges described in Section 39.3(e) of this Tariff.

Firm Point-To-Point Transmission Service: Transmission Service under this Tariff that is reserved and/or scheduled between specified Points of Receipt and Delivery pursuant to Part II of this Tariff.

G - Definitions

Generation Interconnection Customer: An entity that submits a Generation Interconnection Request under Attachment V.

Generation Interconnection Request: A request made under Attachment V to connect a generating unit to the Transmission System or to increase the capacity of a generating unit that is connected to the Transmission System.

Good Utility Practice: Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility 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, including those practices required by Federal Power Act section 215(a)(4).

Grandfathered Agreements or Transactions: Grandfathered Agreements or Transactions include (1) agreements providing long term firm transmission service executed prior to April 1, 1999 and Network Integration Transmission Service executed prior to February 1, 2000; (2) bundled wholesale contracts (that reserve transmission as part of the contract); (3) short-term firm and non-firm point-to-point transmission transactions which were accepted and confirmed prior to the Effective Date; (4) existing or new contracts entered into by the Southwestern Power Administration on behalf of the United States for the use of transmission facilities of the Southwestern Power Administration that are constructed or acquired by purchase or other agreement, as authorized under Section 5 of the Flood Control Act of 1944, for the transmission of Federal Power ~~Southwestern~~; ~~and~~ (5) contracts executed before the Effective Date, regardless of term, entered into by the Southwestern Power Administration on behalf of the United States for the transmission of power or energy across transmission facilities

owned and operated by the Southwestern Power Administration; (6) contracts entered into by a Nebraska ~~or South Dakota~~ public-power entity prior to the transfer of functional control of its transmission facilities to the Transmission Provider; (7) existing contracts entered into by a Member which is a Nebraska or South Dakota public-power entity with any retail or wholesale electric utility customer that has a right under state law to obtain electric transmission service or energy service from such Member; ~~and~~ (8) new contracts entered into by a Member which is a Nebraska or South Dakota public-power entity with any retail or wholesale electric utility customer that has a right under state law to obtain electric transmission service or energy service from such Member to the extent that provision of service under the Tariff would not satisfy such Member's obligation under state law; (9) agreements entered into by Southwestern Public Service Company (SPS) and Public Service Company of Colorado (PSCo) for transmission service across the Lamar HVDC Tie Line to integrate generation resources and loads pursuant to the Xcel Energy Operating Companies Joint Operating Agreement and other service under the Xcel Energy Operating Companies Open Access Transmission Tariff pursuant to FERC orders on the merger of the Xcel Energy Operating Companies, Public Service Company of Colorado, et al., 75 FERC ¶ 61,325 (1996), Order Conditionally Approving Settlement and Conditionally Authorizing Merger, 78 FERC ¶ 61,267 (1997); Cheyenne Light, Fuel and Power Co., et al., 78 FERC ¶ 61,268 (1997); and Northern States Power Company, et. al., 90 FERC ¶ 61,020 (2000), and the FERC approved Offers of Settlement in Docket Nos. ER04-1174-000 et al. and ER08-313-000 et al.; and (10) contracts executed by Western-UGP prior to the transfer of functional control of Western-UGP transmission facilities to the Transmission Provider, regardless of term, for the transmission of power or energy. These agreements are set forth on the list which is Attachment W to this Tariff. Umbrella service agreements are specifically not Grandfathered.

R - Definitions

Real-Time Balancing Market (“RTBM”): The market operated by the Transmission Provider continuously in real-time to balance the system through deployment of Energy and to clear Regulation-Up, Regulation-Down, Spinning Reserve and Supplemental Reserve.

Receiving Party: The entity receiving the capacity and energy transmitted by the Transmission Provider to Point(s) of Delivery.

Region-wide Annual Transmission Revenue Requirement: The sum of the annual transmission revenue requirements as set forth in Attachment H, Table 2-A and Table 2-B.

Region-wide Charge: Regional component of the charge assessed by the Transmission Provider in accordance with Schedule 11 to recover the Region-wide Annual Transmission Revenue Requirement.

Region-wide Load Ratio Share: For application to Section I, Table 2-A of Attachment H, the ratio of a Network Customer’s or Transmission Owner’s Resident Load to total Resident Load in Zones 1 through 18, computed in accordance with Section II.B to Schedule 11 of this Tariff, and calculated on a calendar year basis for the prior calendar year. For application to Section I, Table 2-B of Attachment H, the R~~ratio of a Network Customer's or Transmission Owner’s Resident Load in the SPP Region to the total Resident Load in the SPP Region, with both numerator and denominator limited to Resident Loads subject to the Region-wide Charge,~~ computed in accordance with Section II.B to Schedule 11 of this Tariff, and calculated on a calendar year basis, for the prior calendar year. Customer loads used to determine the Region-wide Load Ratio Share shall be adjusted for real power losses in accordance with the provisions set out in Section 28.5 of this Tariff.

Region-wide Rate: Regional component of the rate per kW of Reserved Capacity assessed by the Transmission Provider in accordance with Schedule 11 to recover the Region-wide Annual Transmission Revenue Requirement.

Regional State Committee: A voluntary organization comprised of one designated commissioner from each participating state regulatory commission having jurisdiction over an SPP Member, established to collectively provide both direction and input on all matters pertinent to the participation of the Members in SPP pursuant to the SPP Bylaws.

Regional Transmission Group (RTG): A voluntary organization of Transmission Owners, transmission users and other entities approved by the Commission to efficiently coordinate transmission planning (and expansion), operation and use on a regional (and interregional) basis.

Reserve Sharing System: The Transmission Provider's computer system that receives and records contingency events and requests for assistance by Reserve Sharing Group members, calculates and communicates the appropriate reserve capacity obligations and reserve energy responsibilities for events to all Reserve Sharing Group members and creates applicable Energy schedules for deployment by the Reserve Sharing Group members.

Reserved Capacity: The maximum amount of capacity and energy that the Transmission Provider agrees to transmit for the Transmission Customer over the Transmission Provider's Transmission System between the Point(s) of Receipt and the Point(s) of Delivery under Part II of the Tariff. Reserved Capacity shall be expressed in terms of whole megawatts on a sixty (60) minute interval (commencing on the clock hour) basis.

Resident Load: The load specified in Section 41 of the Tariff.

Revenue Requirements and Rates File (RRR File): A file posted on the SPP website as a reference to: (i) Annual Transmission Revenue Requirements (ATRRs) for Network Integration Transmission Service, as referenced in Attachment H to this Tariff; (ii) Base Plan ATRR allocation; (iii) allocation factors for Base Plan funded projects; (iv) notes on the calculation of Base Plan ATRR amounts on a Region-wide and Zonal basis; (v) ATRR reallocation for Balanced Portfolio projects; (vi) the calculation of Base Plan Point-To-Point Transmission Service rates on a Region-wide and Zonal basis in accordance with Schedule 11; and (vii) the rates for Point-To-Point Transmission Service as referenced in Attachment T in accordance with Schedules 7 and 8.

S - Definitions

Screening Study: A study conducted pursuant to Attachment AR of the Tariff to evaluate potential Long-Term Service request options or a proposed Delivery Point Transfer.

Screening Study Agreement: An agreement between Transmission Provider and a Network Customer or Transmission Customer for the performance of a Screening Study pursuant to Attachment AR of the Tariff.

Service Agreement: The initial agreement and any amendments or supplements thereto entered into by the Transmission Customer and the Transmission Provider for service under the Tariff.

Service Commencement Date: The date the Transmission Provider begins to provide service pursuant to the terms of an executed Service Agreement, or the date the Transmission Provider begins to provide service in accordance with Section 15.3 or Section 29.1 under the Tariff.

Service Upgrades: Network Upgrades required to provide transmission service requested by an Eligible Customer in accordance with Attachment Z1 to this Tariff.

Short-Term Firm Point-To-Point Transmission Service: Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of less than one year.

Short-Term Service: Short-Term Firm Point-To-Point Transmission Service or Network Integration Transmission Service of less than one year.

Sponsored Upgrades: Network Upgrades, requested by a Transmission Customer or other entity, which do not meet the definition of any other category of Network Upgrades.

SPP: The Southwest Power Pool, Inc.

SPP Bylaws: The Bylaws of SPP filed at FERC that set forth the governance structure and other organizational authorities and obligations for SPP.

SPP Membership Agreement: The Southwest Power Pool Membership Agreement detailing the rights and obligations of the SPP and SPP Members.

SPP Region: The geographic area of the Transmission System.

SPP Transmission Expansion Plan (STEP): The plan that describes the transmission expansion projects being considered over the planning period and developed through the stakeholder process in accordance with this Tariff and approved by the SPP Board.

Statutory Load Obligations: Western-UGP's power marketing function obligations under Federal law to deliver power and energy from the output of the Federal hydroelectric projects operated by the Department of the Army and the Bureau of Reclamation to loads which include project use loads, preference power customer loads in Iowa, Minnesota, Montana, Nebraska, North Dakota, and South Dakota located in a marketing area defined pursuant to a power marketing plan, and other loads required to be served under Federal law.

System Condition: A specified condition on the Transmission Provider's system or on a neighboring system, such as a constrained transmission element or flowgate, that may trigger Curtailment of Long-Term Firm Point-To-Point Transmission Service using the curtailment priority pursuant to Section 13.6. Such conditions must be identified in the Transmission Customer's Service Agreement.

System Impact Study: A coordinated assessment by the Transmission Provider and the affected Transmission Owner(s) of (i) the adequacy of the Transmission System to

accommodate Short-Term Service or (ii) to determine the Attachment Facilities, other Direct Assignment Facilities, and system upgrades that are needed to accept power into the grid at the interconnection receipt point, required to accommodate a request for generation interconnection in accordance with Attachment V and (iii) whether any additional costs may be incurred in order to provide transmission service or generation interconnection.

U - Definitions

Upper Missouri Zone: The Upper Missouri Zone (“UMZ” or “Zone 19”) is the rate pricing zone initially consisting of the following facilities that meet the requirements of Attachment AI, upon the transfer of those facilities to the functional control of the Transmission Provider: (i) the facilities of Western-UGP within the Eastern and Western Interconnections; (ii) the facilities owned or leased by Basin Electric Power Cooperative or Heartland Consumers Power District within the Eastern Interconnection; (iii) a portion of the facilities owned or leased by Basin Electric Power Cooperative within the Western Interconnection; and (iv) other facilities of the Western Area Power Administration in the Eastern Interconnection transferred to the functional control of the Transmission Provider, not included in the facilities of Western-UGP in (i) above.

Users: Transmission Customers or other entities that are parties to transactions under the Tariff.

Upgrade Sponsor: A Transmission Customer, Network Customer, Generation Interconnection Customer, or Project Sponsor paying Directly Assigned Upgrade Costs for a Creditable Upgrade.

W - Definitions

Western Area Power Administration-Upper Great Plains Region (“Western-UGP”):

A division of the Western Area Power Administration that markets and transmits Federal power from reservoir projects under the control of the Department of the Army or the U.S. Bureau of Reclamation. Western-UGP operates the WAUW Balancing Authority Area in the Western Interconnection, where certain of its transmission facilities are located. Western-UGP has transferred Federal transmission facilities in both the Eastern Interconnection and Western Interconnection to the functional control of the Transmission Provider.

Western Interconnection: A major alternating current power grid in North America. The Western Interconnection stretches from Western Canada south to Baja California in Mexico, reaching eastward over the Rockies to the Great Plains. Western Interconnection is comprised of the states of Washington, Oregon, California, Idaho, Nevada, Utah, Arizona, Colorado, Wyoming, portions of Montana, South Dakota, Nebraska, New Mexico and Texas in the United States, the Provinces of British Columbia and Alberta in Canada, and a portion of the Comisión Federal de Electricidad’s system in Baja California in Mexico.

Wholesale Distribution Service: The provision of service over a Transmission Owner’s Distribution Facilities necessary to effectuate Network Integration Transmission Service or Point-To-Point Transmission Service under this Tariff. To the extent such Wholesale Distribution Service is required; it shall be specified in the Service Agreement for the associated service being provided under the Tariff. The charges for Wholesale Distribution Service are described in Schedule 10.

III. NETWORK INTEGRATION TRANSMISSION SERVICE

Preamble

The Transmission Provider will provide Network Integration Transmission Service pursuant to the applicable terms and conditions contained in the Tariff and Service Agreement. Network Integration Transmission Service allows the Network Customer to integrate, economically dispatch and regulate its current and planned Network Resources to serve its Network Load in a manner comparable to that in which the Transmission Owners utilize the Transmission System to serve their Native Load Customers. Network Integration Transmission Service also may be used by the Network Customer to deliver economy energy purchases to its Network Load from non-designated resources on an as-available basis without additional charge. Transmission service for sales to non-designated loads will be provided pursuant to the applicable terms and conditions of Part II of the Tariff. The Transmission Provider shall recognize the requirements of the Federal Service Exemption to allow Western-UGP to meet its Statutory Load Obligations.

39.3 Participation by ~~Western-UGP~~the United States Subject to Federal Laws and Regulations

(a) Subject to Acts of Congress

The participation by the United States through ~~the Western-UGP-Area Power Administration~~ in this Tariff is subject in all respects to acts of Congress and to regulations of the Secretary of Energy established thereunder, and to rate schedules promulgated by the Secretary of Energy. This reservation includes, but is not limited to, the statutory limitations upon the authority of the Secretary of Energy to submit disputes arising under this Tariff to arbitration. In the event of a conflict between these ~~F~~federal participation provisions in Section 39.3 of this Tariff and any other provision of this Tariff, these ~~F~~federal participation provisions shall have precedence with respect to the application of this Tariff to ~~Western-UGP~~the United States.

(b) Contingent Upon Appropriations and Authorization

Where activities provided for in this Tariff extend beyond the current fiscal year, continued expenditures by the United States through ~~the Western-UGP-Area Power Administration~~ are contingent upon Congress making the necessary appropriations required for the continued performance of the obligations of the United States under this Tariff. In case such appropriation is not made, the Parties hereby release the United States from its contractual obligations under this Tariff and from all liability due to the failure of Congress to make such appropriation.

(c) Employment Practices; Contractor Agreement

For the purpose of this ~~f~~Federal participation provision, the term "Contract" shall mean this Tariff and the term "Contractor" shall mean a Party having transactions with ~~the Western-UGP-Area Power Administration~~. During the performance of this Contract, the Contractor agrees to the provisions set forth in Section 39.3 and its subdivisions. In addition, the Contractor will include the following provisions in every subcontract or purchase order involving ~~the Western-UGP-Area Power Administration~~ unless exempted by rules, regulations, or order of the Secretary of Labor.

(i) Equal Opportunity Employment Practices

Section 202 of Executive Order No. 11246, 30 Fed. Reg. 12319 (1965), as amended by Executive Order No. 12086, 43 Fed. Reg. 46501 (1978), which provides, among other things, that the Contractor will not discriminate against any employee or applicant for employment because

of race, color, religion, sex, or national origin, is incorporated by reference in the Contract by reference to same as if the specific language had been written into the Contract, except that Indian Tribes and tribal organizations may apply Indian Preference to the extent permitted by federal law.

(ii) Contract Work Hours and Safety Standards

The Contract, to the extent that it is of a character specified in Section 103 of the Contract Work Hours and Safety Standards Act (“Act”), 40 U.S.C. § 3701, as amended or supplemented, is subject to the provisions of the Act, 40 U.S.C. § 3701-3708, as amended or supplemented, and to regulations promulgated by the Secretary of Labor pursuant to the Act.

(iii) Use of Convict Labor

The Contractor agrees not to employ any person undergoing sentence of imprisonment in performing the Contract except as provided by 18 U.S.C. § 3622(c), as amended or supplemented, and Executive Order No. 11755, 39 Fed. Reg. 779 (1973), as amended or supplemented.

(d) Western-UGP Co-supply Arrangement

If Western-UGP is a Network Customer and designates Network Load within Zone 19, or outside of the Transmission Provider’s Transmission System, the amount of Western-UGP’s Network Load shall be based upon its Statutory Load Obligations. Western-UGP’s Statutory Load Obligations to its customers are limited because it is not the full-requirements power supplier, except in certain limited cases, and therefore, Western-UGP generally does not serve the total load at a delivery point. The portion of load that exceeds Western-UGP’s obligation at a delivery point must be served by another transmission customer (“Co-Supplier”). A Co-Supplier to load in excess of Western-UGP’s Statutory Load Obligations shall be allowed to designate its portion of the total load at a delivery point as Network Load. In such case, that Co-Supplier’s Network Load shall be the total load at each delivery point less Western-UGP’s Statutory Load Obligations.

(e) Western-UGP Federal Service Exemption

The Federal Service Exemption applies to transmission of Federal Power-Western-UGP to the Statutory Load Obligations under this Tariff. Western-UGP was established on December 21, 1977, pursuant to Section 302 of the Department of Energy Organization Act, Public Law 95-91, dated August 4, 1977. By law, Western-UGP markets Federal Power-Western-UGP to meet its

Statutory Load Obligations. Western-UGP's transmission system was built primarily to enable the delivery of Federal power to satisfy these obligations. Use of transmission facilities that Western-UGP owns, operates, or to which it has contract rights for delivery of Federal long-term firm capacity and energy to project use and firm electric service customers is a Western-UGP responsibility under the terms and conditions of marketing criteria and electric service contracts implementing Statutory Load Obligations to market Federal power. This is complementary with the provisions of transmission service under the Tariff. Capacity in transmission facilities provided by Western-UGP under this Tariff is solely for the use of Available Transfer Capability in excess of the capability Western-UGP requires for the delivery of long-term firm capacity and energy to Statutory Load Obligations. Western-UGP retains the Available Transfer Capability from its Federal Power-Western-UGP in the UMZ to deliver to its Statutory Load Obligations.

(i) Western-UGP shall be exempt from the Region-wide Charge associated with Western-UGP's delivery of Federal Power-Western-UGP to Statutory Load Obligations internal to the UMZ or external to the Transmission Provider. The Transmission Provider will not assess load served by Western UGP in the Western Interconnection for the Region-wide Charge, associated with transmission facilities in the Eastern Interconnection, to the extent that load that is located in the Western Interconnection is served only by resources in the Western Interconnection.

(ii) Western-UGP shall be exempt from congestion and marginal loss charges in accordance with Attachment AE of this Tariff for deliveries from Federal Power-Western-UGP resources across the UMZ to Western-UGP's Statutory Load Obligations. Western-UGP shall be responsible for providing the Transmission Provider real power losses for the energy delivered from the Federal Power-Western-UGP resources under the Federal Service Exemption across Zone 19 in accordance with Attachment M of this Tariff.

(f) Federal Projects

The individual hydroelectric projects from which the Western-UGP markets power and energy are owned and controlled by the Department of the Army or the U.S. Bureau of Reclamation. These projects are operated to satisfy multiple purposes such as irrigation, navigation, flood control, fish and wildlife, and recreation, as well as power production. Any operation of, and maintenance, modification or addition to such projects is subject to the requirements and

express approval of either the Department of the Army or the U.S. Bureau of Reclamation. Western-UGP's transmission system is integrated at various locations through switchyard facilities owned and operated by the Department of the Army or U.S. Bureau of Reclamation. Any operation of, and maintenance, modification, or addition to such facilities, including the funding of such activities, is subject to the requirements and express approval of the Department of the Army or U.S. Bureau of Reclamation. Western-UGP shall communicate and coordinate with the Department of the Army on any operation of, and maintenance, modification, or addition to the Department of the Army or the U.S. Bureau of Reclamation facilities as requested by the Transmission Provider; provided that compliance with the Transmission Provider's request shall be within the discretion of, and subject to the approval of, the Department of the Army or the U.S. Bureau of Reclamation. In the event the Transmission Provider requests changes to a hydroelectric generation facility due to redispatch, operation, maintenance or addition to hydroelectric generation owned and operated by the Department of the Army or U.S. Bureau of Reclamation and marketed by Western-UGP, Western-UGP shall coordinate its operations with the Department of the Army and U.S. Bureau of Reclamation to accommodate the Transmission Provider's request to the extent allowed by the Department of the Army or U.S. Bureau of Reclamation. Nothing in this section is intended to change the Department of the Army or U.S. Bureau of Reclamation obligations pursuant to their registration with NERC.

(g) Federal Projects as Designated Resources

The Federal Power-Western-UGP resources will be deemed to be eligible as Western-UGP Designated Resources.

(h) Transmission Expansion, Interconnections, Modifications, and Additions

As a Federal agency, Western-UGP must comply with various environmental and natural resource laws regulating the construction, operation and maintenance of its transmission facilities, including but not limited to the National Historic Preservation Act, 16 U.S.C. § 470 to 470x-6, the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321-4347 ("NEPA"), the Endangered Species Act, 16 U.S.C. §§ 1531-1544, and the Archaeological Resources Protection Act of 1979, 16 U.S.C. § 470aa-470mm (2006); and regulations and Executive Orders implementing these laws, as they may be amended or supplemented, as well as any other existing or subsequent applicable laws, regulations and Executive Orders. The Transmission Provider shall assist Western-UGP in complying with the environmental laws, regulations and resource protection measures that apply to Western-UGP for changes to the Western-UGP transmission facilities.

Transmission expansion, interconnections, modifications and additions of, and or to, Western-UGP's transmission facilities are dependent on Western-UGP's conclusions and decisions reached in the record of decision under NEPA, or other such appropriate NEPA document, concerning the respective project. Western-UGP's NEPA review could result in a decision not to take action or to delay action. Transmission Provider agrees to abide by such decision and it shall not be subject to the dispute resolution procedures of this Tariff.

(i) Advance Funding

In the absence of appropriated funds, Western-UGP requires advance deposit of funds when it is required to perform any work for third parties. As such, Western-UGP must receive an advance deposit of funds pursuant to Federal law prior to Western-UGP committing to perform any work pursuant to the Tariff.

(j) Liability

Western-UGP as a Transmission Customer as defined in Part I of this Tariff cannot indemnify, defend, and save harmless the Transmission Provider and Transmission Owner(s) pursuant to Section 10.3 of this Tariff due to the Antideficiency Act, 31 U.S.C. § 1341, et seq, as amended or supplemented. Western-UGP's liability as a Transmission Customer is instead determined in accordance with the Federal Tort Claims Act, 28. U.S.C. § 1346(b), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.

(k) Western-UGP Rate Review

Western-UGP's transmission service rates and revenue requirements shall only be reviewed in accordance with Delegation Order No. 00-037.00A from the Secretary of Energy to the Federal Power Marketing Agencies and the Commission, as superseded or amended, and in accordance with the regulations implementing the review authority found in 10 C.F.R. Part 903 and 18 C.F.R. Part 300, as superseded or amended.

(l) Inapplicability of Section 39.1 to a Federal Power Marketing Agency

Section 39.1 of this Tariff shall not apply to Western-UGP.

(m) No Expansion of Jurisdiction, Waiver Of Defenses, Liability For Penalties, Or Inconsistent Obligations

Western-UGP has not waived or conceded any defense it may have, including sovereign immunity, intergovernmental immunity, or lack of subject matter jurisdiction in any action against it by an Enforcement Authority, nor has

Western-UGP accepted any liability, responsibility, or obligation to pay any civil monetary penalties or fines imposed by an Enforcement Authority to which it would not have been subject in the absence of this Tariff. “Enforcement Authority” means the Commission, Electric Reliability Organization (ERO), or Regional Entities with enforcement authority pursuant to a delegation from an ERO or Commission for the purpose of proposing and enforcing reliability standards. The Transmission Provider does not concede or accept responsibility for any portion of a penalty or fine attributable to the actions or omissions of Western-UGP. The Transmission Provider will identify the amount of any penalty or fine that the Transmission Provider allocates to Western-UGP or that the Transmission Provider determines is attributable to Western-UGP and will identify that amount to FERC as uncollectable and not otherwise owed by the Transmission Provider.

39.4 Applicability to Rural Electric Cooperatives

The participation in this Tariff by a Transmission Owner that is an electric cooperative that receives financing under the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) is subject in all respects to the laws and regulations of the state of its creation and to rate schedules adopted by its governing board under state law. The Commission has exclusive jurisdiction to interpret the provisions of this Tariff and how the provisions apply to such entity. However, in the event that the governing board of such entity, subject to state court review, determines that a conflict exists between the applicable state law, regulations, or rate schedules, and provisions of this Tariff as interpreted by the Commission, such state law, regulations, or rate schedules shall govern with respect to the application of this Tariff to such entity. Should the governing board of such entity determine that such a conflict exists, the entity must file with the Commission such necessary documents notifying the Commission of the governing board's determination of such a conflict and explaining both the conflict (including what state law, regulations, or rate schedules and what Tariff provisions are at issue) and what actions the governing board is taking in response to that determination.

SCHEDULE 7

LONG-TERM FIRM AND SHORT-TERM FIRM POINT-TO-POINT TRANSMISSION SERVICE

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges set forth below in addition to other applicable charges specified in the Tariff. All effective rates under this schedule shall be posted on the SPP OASIS.

1. Zonal Rates: The Transmission Customer shall pay the zonal rate (per kW of reserved capacity) based upon the Zone where the load is located for Firm Point-To-Point Transmission Service where the generation source is outside the SPP Region and the load is located within the SPP Region and for Firm Point-To-Point Transmission Service where both the generation source and the load are located within the SPP Region. For Firm Point-To-Point Transmission Service where the generation source is located within the SPP Region and the load is located outside of the SPP Region, and for Firm Point-To-Point Transmission Service where both the generation source and the load are located outside of the SPP Region, the Transmission Customer shall pay the zonal rate (per kW of reserved capacity) for the Zone interconnected with the Balancing Authority Area, external to the SPP Region, that is the designated Point of Delivery. Where there is more than one Zone interconnected with such Balancing Authority Area, the lowest zonal rate of the interconnected Zones is applicable. The zonal rates are stated in Attachment T.

The Zones are as follows:

- Zone 1: American Electric Power – West
- Zone 2: Reserved for Future Use
- Zone 3: City Utilities of Springfield, Missouri
- Zone 4: Empire District Electric Company
- Zone 5: Grand River Dam Authority
- Zone 6: Kansas City Power & Light Company
- Zone 7: Oklahoma Gas & Electric Company
- Zone 8: Midwest Energy, Inc.
- Zone 9: KCP&L Greater Missouri Operations Company
- Zone 10: Southwestern Power Administration

Zone 11:	Southwestern Public Service
Zone 12:	Sunflower Electric Cooperative
Zone 13:	Western Farmers Electric Cooperative
Zone 14:	Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy)
Zone 15:	Mid-Kansas Electric Company
Zone 16:	Lincoln Electric System
Zone 17:	Nebraska Public Power District
Zone 18:	Omaha Public Power District
<u>Zone 19:</u>	<u>Upper Missouri Zone</u>

No changes in Zones shall be made without submitting a filing to the Commission.

2. Caps: The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the weekly rate times the highest amount in kilowatts of Reserved Capacity in any day during such week.

3. Redispatch Costs: The redispatch costs shall be calculated in accordance with the formula and protocols shown on Attachment K.

4. Real Power Losses: The Transmission Customer shall be responsible for *real power* losses determined in accordance with Attachment M.

5. a. Direct Assignment Costs: Where a Facilities Study indicates the need to construct Direct Assignment Facilities to accommodate a request for Transmission Service, the Transmission Customer shall be charged the full cost of such Direct Assignment Facilities in addition to the charges specified in this Schedule and Tariff. The annual costs of the facility shall be calculated by multiplying the levelized fixed charge rate of the Transmission Owner by the nondepreciated cost of the facility. Each month the Transmission Customer shall pay a charge based on such annual costs divided by twelve. Any such charge will be filed with the Commission.

b. Directly Assigned Upgrade Costs: Where a Facilities Study indicates the need to construct Network Upgrades to accommodate a request for Transmission Service, the Transmission Customer may be allocated Directly Assigned Upgrade Costs in accordance with Attachments J and Z1. Any such charge will be filed with the Commission. The Transmission Customer shall be charged the higher of (i) the charges specified in Schedules 7 and 11 or (ii) the Directly Assigned Upgrade Costs. The Transmission Customer shall also be charged any

other applicable charges under the Tariff. If the Transmission Customer is charged the Directly Assigned Upgrade Costs, upon completion of construction of such assigned upgrades, the Transmission Provider shall reconcile the Directly Assigned Upgrade Costs against the actual construction costs. Based on the reconciliation, the Transmission Customer's cost responsibility shall be adjusted as appropriate.

6. Wholesale Distribution Service: Where Wholesale Distribution Service is provided to effectuate Firm Point-To-Point Transmission Service, the Transmission Customer shall pay all charges levied pursuant to the Wholesale Distribution Service Agreement and Schedule 10.

7. Base Plan Zonal Charges and Region-wide Charges: The Transmission Customer shall pay all charges assessed pursuant to Schedule 11 to the extent the revenue from such charges is not recovered by the Transmission Provider from the Transmission Customer pursuant to Section 5.b of this Schedule.

8. Resales: The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff.

SCHEDULE 8

NON-FIRM POINT-TO-POINT TRANSMISSION SERVICE

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth below in addition to other applicable charges specified in the Tariff. All effective rates under this schedule shall be posted on the SPP OASIS.

1. Zonal Rates: The Transmission Customer shall pay the zonal rate (per KW of reserved capacity) based upon the Zone where the load is located for Non-Firm Point-To-Point Transmission Service where the generation source is outside the SPP Region and the load is located within the SPP Region and for Non-Firm Point-To-Point Transmission Service where both the generation source and the load are located within the SPP Region. For Non-Firm Point-To-Point Transmission Service where the generation source is located within the SPP Region and the load is located outside of the SPP Region, and for Non-Firm Point-To-Point Transmission Service where both the generation source and the load are located outside of the SPP Region, the Transmission Customer shall pay the zonal rate (per KW of reserved capacity) for the Zone interconnected with the Balancing Authority Area, external to the SPP Region, that is the designated Point of Delivery. Where there is more than one Zone interconnected with such Balancing Authority Area, the lowest zonal rate of the interconnected Zones is applicable. The zonal rates are stated in Attachment T.

The Zones are as follows:

- Zone 1: American Electric Power – West
- Zone 2: Reserved for Future Use
- Zone 3: City Utilities of Springfield, Missouri
- Zone 4: Empire District Electric Company
- Zone 5: Grand River Dam Authority
- Zone 6: Kansas City Power & Light Company
- Zone 7: Oklahoma Gas & Electric Company
- Zone 8: Midwest Energy, Inc.
- Zone 9: KCP&L Greater Missouri Operations Company
- Zone 10: Southwestern Power Administration
- Zone 11: Southwestern Public Service

Zone 12:	Sunflower Electric Cooperative
Zone 13:	Western Farmers Electric Cooperative
Zone 14:	Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy)
Zone 15:	Mid-Kansas Electric Company
Zone 16:	Lincoln Electric System
Zone 17:	Nebraska Public Power District
Zone 18:	Omaha Public Power District
<u>Zone 19:</u>	<u>Upper Missouri Zone</u>

No changes in Zones shall be made without submitting a filing to the Commission.

2. Caps: The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the weekly rate times the highest amount in kilowatts of Reserved Capacity in any day during such week. The total demand charge in any day, pursuant to a reservation for Hourly delivery, shall not exceed the daily rate times the highest amount in kilowatts of Reserved Capacity in any hour during such day. In addition, the total demand charge in any week, pursuant to a reservation for Hourly or Daily delivery, shall not exceed the weekly rate above times the highest amount in kilowatts of Reserved Capacity in any hour during such week.

3. Redispatch Costs: The redispatch costs shall be calculated in accordance with the formula and protocols shown on Attachment K.

4. Discounts: The Transmission Provider may offer discounts under this Schedule. Three principal requirements apply to discounts for transmission service as follows: (1) any offer of a discount made by the Transmission Provider must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. For any discount agreed upon for service on a path, from Point(s) of Receipt to Point(s) of Delivery, the Transmission Provider must offer the same discounted transmission service rate for the same time period to all Eligible Customers on all unconstrained transmission paths that go to the same Point(s) of Delivery on the Transmission System. In offering discounts, the Transmission Provider's goal shall be to maximize transmission revenues.

4(a) Next-Hour-Market Service: The basic charge shall be that agreed upon by the Parties at the time this service is reserved and in no event shall exceed the applicable charges posted on OASIS. In the event that transmission service is curtailed or interrupted by the Transmission Provider, either acting directly or indirectly at the request of another transmission provider or a Security Coordinator, the Transmission Customer shall be charged only for that portion of the hour of actual transmission service used. The pro-rata portion must be agreed upon between the Transmission Provider and the Transmission Customer.

5. Real Power Losses: The Transmission Customer shall be responsible for *real power* losses determined in accordance with Attachment M.

6. Wholesale Distribution Service: Where Wholesale Distribution Service is provided to effectuate Non-Firm Point-To-Point Transmission Service, the Transmission Customer shall pay all charges levied pursuant to the Wholesale Distribution Service Agreement and Schedule 10.

7. Base Plan Zonal Charges and Region-wide Charges: The Transmission Customer shall pay all charges assessed pursuant to Schedule 11.

8. Resales: The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff.

SCHEDULE 9

NETWORK INTEGRATION TRANSMISSION SERVICE

The Transmission Customer shall compensate the Transmission Provider for Network Integration Transmission Service at the applicable charges set forth below in addition to other applicable charges specified in the Tariff.

1. Zonal Rates: The Transmission Customer taking Network Integration Transmission Service shall pay a monthly demand charge for the Zone where the load is located. Each month, the Transmission Customer shall pay the Transmission Provider the applicable monthly zonal Demand Charge, determined in accordance with Section 34.1. If a Transmission Customer has load in multiple Zones, the Transmission Customer shall pay the monthly demand charge for each Zone in which its load is located. For load not physically interconnected with the Transmission System designated as Network Load pursuant to Section 31.3, the Network Customer shall pay the zonal Demand Charge for the Zone interconnected with the Balancing Authority Area, external to the SPP Region, that is the designated Point of Delivery. For Network Customers in Zones 1 through 18 designating load external to the SPP Region, ~~W~~where there is more than one Zone interconnected with such Balancing Authority Area, the lowest zonal Demand Charge of the interconnected Zones is applicable. For Network Customers in Zone 19 designating load external to the SPP Region, where there is more than one Zone interconnected with such Balancing Authority Area, the zonal Demand Charge of Zone 19 is applicable. A Transmission Customer that is serving load on the Xcel Energy Operating Companies' transmission system taking Network Integration Transmission Service under the Xcel Energy Operating Companies' OATT and also takes transmission service under Part III of this Tariff to export over the Lamar Tie Line resources from the SPS Zone to serve load on the Public Service Company of Colorado (PSCo) transmission system shall have its zonal rate charges under this Schedule 9 reduced by 100%. A Transmission Customer that is serving load on the Xcel Energy Operating Companies' transmission system taking Network Integration Transmission Service under the Xcel Energy Operating Companies' OATT and also takes transmission service under Part III of this Tariff to import over the Lamar Tie Line resources to serve its load in the SPS Zone shall be subject to the applicable charges under this Schedule 9, without reduction. The Zonal Annual Transmission Revenue Requirement of each Zone is stated in Attachment H. Notwithstanding anything to the contrary in this Tariff, a Transmission

Owner taking Network Integration Transmission Service may elect not to pay (in whole or in part) the monthly demand charges specified in the preceding paragraph to the extent that the Transmission Owner would have received under Attachment L (revenue distribution) the amounts it seeks to not pay under this provision. A Transmission Owner electing this option shall remain obligated to pay any applicable charges for transmission services using any other Transmission Owner's facilities unless the transmission is provided pursuant to a Grandfathered Agreement (in which case compensation provisions under the Grandfathered Agreement control). A Transmission Owner electing this option shall remain responsible for any credits pursuant to Section 30.9 and for all other applicable charges under this Tariff. This election will only be effective through January 31, 2010.

The Zones are as follows:

- Zone 1: American Electric Power - West
- Zone 2: Reserved for Future Use
- Zone 3: City Utilities of Springfield, Missouri
- Zone 4: Empire District Electric Company
- Zone 5: Grand River Dam Authority
- Zone 6: Kansas City Power & Light Company
- Zone 7: Oklahoma Gas & Electric Company
- Zone 8: Midwest Energy, Inc.
- Zone 9: KCP&L Greater Missouri Operations Company
- Zone 10: Southwestern Power Administration
- Zone 11: Southwestern Public Service
- Zone 12: Sunflower Electric Cooperative
- Zone 13: Western Farmers Electric Cooperative
- Zone 14: Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy)
- Zone 15: Mid-Kansas Electric Company
- Zone 16: Lincoln Electric System
- Zone 17: Nebraska Public Power District
- Zone 18: Omaha Public Power District
- Zone 19: Upper Missouri Zone

No changes in Zones shall be made without submitting a filing to the Commission.

2. Redispatch Costs: The redispatch costs shall be calculated in accordance with the formula and protocols shown on Attachment K.

3. Real Power Losses: The Transmission Customer shall be responsible for *real power* losses determined in accordance with Attachment M.

4. a.) Direct Assignment Costs: Where a Facilities Study indicates the need to construct Direct Assignment Facilities to accommodate a request for Transmission Service, the Transmission Customer shall be charged the full cost of such Direct Assignment Facilities in addition to the charges specified in this Schedule and Tariff. The annual costs of the facility shall be calculated by multiplying the levelized fixed charge rate of the Transmission Owner by the nondepreciated cost of the facility. Each month the Transmission Customer shall pay a charge based on such annual costs divided by twelve. Any such charge will be filed with the Commission.

b.) Directly Assigned Upgrade Costs: Where a Facilities Study indicates the need to construct Network Upgrades to accommodate a request for Transmission Service, the Transmission Customer may be allocated Directly Assigned Upgrade Costs in accordance with Attachments J and Z1. Any such charge will be filed with the Commission. The Transmission Customer shall be charged the Directly Assigned Upgrade Costs in addition to the charges specified in this Schedule and any other applicable charges under this Tariff. If the Transmission Customer is charged the Directly Assigned Upgrade Costs, upon completion of construction of such assigned upgrades, the Transmission Provider shall reconcile the Directly Assigned Upgrade Costs against the actual construction costs. Based on the reconciliation, the Transmission Customer's cost responsibility shall be adjusted as appropriate.

5. Wholesale Distribution Service: Where Wholesale Distribution Service is provided to effectuate Network Integration Transmission Service, the Network Customer shall pay all charges levied pursuant to the Wholesale Distribution Service Agreement and Schedule 10.

6. Base Plan Zonal Charges and Region-wide Charges: The Transmission Customer shall pay all charges assessed pursuant to Schedule 11.

SCHEDULE 11

BASE PLAN ZONAL CHARGE AND REGION-WIDE CHARGE

I. Introduction

Except as provided herein, Pursuant to Part V of this Tariff, Base Plan Zonal Charges and Region-wide Charges shall be assessed to Network Customers and, where applicable, Transmission Owners based on Resident Load. Likewise, Base Plan Zonal Charges and the Region-wide Charge shall be assessed to each Transmission Customer taking Point-To-Point Transmission Service under the Tariff based on Reserved Capacity. These charges will be applied only to service taken in whole or in part within the Eastern Interconnection. Western-UGP shall be exempt from the Region-wide Charge under this Schedule 11 in accordance with Section 39.3(e) of this Tariff. For the purpose of determining the Region-wide Load Ratio Shares for application of Schedule 11, transmission of Federal Power-Western-UGP to the Statutory Load Obligations served by Western-UGP shall be excluded from the Transmission Provider's monthly Zone transmission load for Zone 19 used as a component of the divisor for all Zones and from the numerator used for Zone 19. The charges stated in Schedule 11 shall not be changed absent a filing with the Commission.

II. Base Plan Zonal Charges and Region-wide Charge to Resident Load

A. Base Plan Zonal Charge to Resident Load

The Network Customer and the Transmission Owner shall pay a monthly Base Plan Zonal Charge, which shall be determined by multiplying its Base Plan Zonal Load Ratio Share by one twelfth (1/12) of the Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J for each Zone in which the Network Customer's or Transmission Owner's Resident Load is physically located. Where a Network Customer has designated Network Load not physically interconnected with the Transmission System under Section 31.3, Network Customer shall pay a monthly Zonal Base Plan Charge, which shall be determined by multiplying its Base Plan Zonal Load Ratio Share by one twelfth (1/12) of the Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J for the Zone that is the basis for charges under Schedule 11.

1. Determination of Network Customer's and Transmission Owner's Monthly Zonal Resident Load

The Network Customer's or Transmission Owner's monthly zonal Resident Load is its integrated hourly load coincident with the monthly peak of the Zone where the Resident Load is physically located. Where a Network Customer or Transmission Owner has Resident Load in more than one Zone, the monthly Resident Load will be determined separately for each Zone. Where a Network Customer has designated Network Load not physically interconnected with the Transmission System under Section 31.3, the Network Customer's monthly Resident Load will be its hourly load coincident with the monthly peak of the Zone that is the basis for charges under Schedule 11.

2. Determination of Transmission Provider's Monthly Zone Transmission Load

The Transmission Provider's monthly Transmission System load shall be determined in accordance with Section 34.5 of this Tariff.

B. Region-wide Charge to Resident Load

Network Customers and Transmission Owners shall pay a monthly Region-wide Charge, which shall be determined as (i) the product of by multiplying its Region-wide Load Ratio Share applicable to Section I, Table 2-A of Attachment H and by one twelfth (1/12) of the Region-wide Annual Transmission Revenue Requirement specified in Section I, Table 2-A of Attachment H, plus (ii) the product of its Region-wide Load Ratio Share applicable to Section I, Table 2-B of Attachment H and one twelfth (1/12) of the Region-wide Annual Transmission Revenue Requirement specified in Section I, Table 2-B of Attachment H.

1. Determination of Network Customer's and Transmission Owner's Monthly Regional Resident Load in Zones 1 through 18

For Zones 1 through 18, The Network Customer's or Transmission Owner's monthly regional Resident Load is the sum of its monthly zonal Resident Load for each Zone, where the monthly zonal Resident Load is determined separately for each Zone coincident with the monthly peak of the Zone in accordance with Section II.A.1.

2. Determination of Network Customer's and Transmission Owner's Monthly Regional Load in Zone 19

For application of the Region-wide Charge under this Schedule 11, the Network Customer's or Transmission Owner's load for Zone 19 shall be the integrated hourly load coincident with the monthly peak of Zone 19 calculated in accordance with Section II.A.1 less: (i) load in the Western Interconnection to the extent that such load is served only by resources in the Western Interconnection, and (ii) service provided under the Western-UGP Federal Service Exemption.

23. Determination of Transmission Provider's Monthly Regional Transmission System Load

The Transmission Provider's monthly regional Transmission System load is the sum of the monthly Zone transmission load for each Zone, where the monthly zone transmission load for each Zone is determined on a non-coincident basis in accordance with Section II.A.2, but with Zone 19 load modified in accordance with Section II.B.2.

C. Special Provision for Non-Federal Service Exemption service to Western-UGP's Statutory Load Obligations

Western-UGP's Statutory Load Obligations ordinarily served by Federal Power Western-UGP, may be served on occasion from resources where the Western-UGP Federal Service Exemption from Schedule 11 Region-wide Charges is not applicable. In any such instance, Region-wide Charges will be applied as calculated pursuant to Sections III.C.1.a and III.C.3 of this Schedule 11.

III. Base Plan Zonal Charge and Region-wide Charge for Point-To-Point Transmission Service

A. Base Plan Zonal Charge for Point-To-Point Transmission Service

The Base Plan Zonal Charge shall be assessed to Transmission Customers taking Firm or Non-Firm Point-To-Point Transmission Service under the SPP Tariff. The Transmission Customer shall pay the Base Plan Zonal Rate (per kW of Reserved Capacity) based upon the Zone where the load is located for Point-To-Point Transmission Service where the generation source is outside the SPP Region and the load is located

within the SPP Region and for Point-To-Point Transmission Service where both the generation source and the load are located within the SPP Region. For Point-To-Point Transmission Service where the generation source is located within the SPP Region and the load is located outside of the SPP Region, and for Point-To-Point Transmission Service where both the generation source and the load are located outside of the SPP Region, the Transmission Customer shall pay the Base Plan Average Zonal Rate (per kW of Reserved Capacity). The Base Plan Zonal Rates and the Base Plan Average Zonal Rate shall be calculated in accordance with Section III.D and set forth in the Revenue Requirements and Rates File (“RRR File”) posted on the SPP website.

B. Region-wide Charge for Point-To-Point Transmission Service

The Region-wide Charge shall be assessed to Transmission Customers taking Firm or Non-Firm Point-To-Point Transmission Service under the SPP Tariff. The Transmission Customer shall pay the Region-wide Rate (per kW of Reserved Capacity) for Point-To-Point Transmission Service. The Region-wide Rate shall be calculated in accordance with Section III.C and set forth in the RRR File posted on the SPP website.

C. Region-wide Rate for Point-To-Point Transmission Service

1. Determination of Annual Region-wide Rate

a. The Region-wide Annual Transmission Revenue Requirement specified in Attachment H ~~is~~are the basis for the Region-wide Rate. Except for service where the load is located within Zone 19, the annual Region-wide Rate for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula:

$$RR = \text{RATRR}\underline{2A}/\text{MRTL}\underline{1 to 18} + \text{RATRR}\underline{2B}/\text{MRTL}$$

in which

RR = the annual Region-wide Rate

RATRR2A = the Region-wide Annual Transmission Revenue Requirement ~~as~~ specified in Table 2-A of Section I, Attachment H

RATRR2B = the Region-wide Annual Transmission Revenue Requirement specified in Table 2-B of Section I, Attachment H

MRTL1 to 18 = the average of the monthly regional Transmission System loads in Zones 1 to 18 only, for the twelve months

of the calendar year prior to the billing year. The monthly regional Transmission System load shall be determined in accordance with Section II.B.3 less the Zone 19 load modified in accordance with Section II.B.2.

MRTL = the average of the ~~sum of the~~ monthly regional Transmission System loads, for the twelve months of the calendar year prior to the billing year. The monthly regional Transmission System load is determined in accordance with Section II.B.32.

b. For service where the load is located within Zone 19, the annual Region-wide Rate for Firm Point-to-Point Transmission Service shall be determined in accordance with the following formula:

RR19= RATTR2B/MRTL

in which

RR19= the annual Region-wide Rate applicable to load in Zone 19

RATTR2B= as defined above

MRTL= as defined above

2. Region-wide Rate for Firm Point-To-Point Transmission Service

The Region-wide Rate for Firm Point-To-Point Transmission Service shall be:

Per month = annual Region-wide Rate divided by 12;

Per week = annual Region-wide Rate divided by 52;

Per day “on-peak” = the “per week” Region-wide Rate divided by 5; provided that the rate for 5 to 7 consecutive days may not exceed the “per week” Region-wide Rate; and

Per day “off-peak” = the “per week” Region-wide Rate divided by 7.

3. Region-wide Rate for Non-Firm Point-To-Point Transmission Service

The Region-wide Rate for Non-Firm Point-To-Point Transmission Service shall be:

Per month = annual Region-wide Rate divided by 12;

Per week = annual Region-wide Rate divided by 52;

Per day “on-peak” = the “per month” Region-wide Rate multiplied by 12 then divided by 260;

Per day “off-peak” = the “per month” Region-wide Rate multiplied by 12 then divided by 365;

Per hour “on-peak” = the “per month” Region-wide Rate multiplied by 12 then divided by 4160; and

Per hour “off-peak” = the “per month” Region-wide Rate multiplied by 12 then divided by 8760.

4. Total Region-wide Charge

The total Region-wide Charge paid by a Transmission Customer pursuant to a reservation for hourly delivery shall not exceed the above on-peak daily rate multiplied by the highest amount of Reserved Capacity in any hour during such day. The total Region-wide Charge in any week, pursuant to a reservation for hourly or daily delivery, shall not exceed the above Region-wide Rate specified for weekly delivery multiplied by the highest amount of Reserved Capacity in any hour during such week.

5. Rate Sheet for Region-wide Point-To-Point Transmission Service

Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges set forth in the (“RRR File”) posted on the SPP website.

Non-Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth in the RRR File posted on the SPP website.

D. Base Plan Zonal Rates for Point-To-Point Transmission Service

1. Determination of Annual Base Plan Zonal Rate

The Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J is the basis for the Base Plan Zonal Rates. The annual Base Plan Zonal Rates for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula for each Zone.

$$\text{BPZR} = \text{BPZATRR/MZTL}$$

in which

BPZR = the annual Base Plan Zonal Rate for the Zone

BPZATRR = the Base Plan Zonal Annual Transmission Revenue Requirement for the Zone as specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J

MZTL = the average of the sum of the monthly Zone transmission load for the Zone for the twelve months of the calendar year prior to the billing year. The monthly Zone transmission load is determined in accordance with Section II.A.2.

2. Base Plan Zonal Rate for Firm Point-To-Point Transmission Service

The Base Plan Zonal Rate for Firm Point-To-Point Transmission Service for each Zone shall be:

Per month = annual Base Plan Zonal Rate for the Zone divided by 12;

Per week = annual Base Plan Zonal Rate for the Zone divided by 52;

Per day “on-peak” = the “per week” Base Plan Zonal Rate for the Zone divided by 5; provided that the rate for 5 to 7 consecutive days may not exceed the “per week” Base Plan Zonal Rate;

Per day “off-peak” = the “per week” Base Plan Zonal Rate for the Zone divided by 7.

3. Base Plan Zonal Rate for Non-Firm Point-To-Point Transmission Service

The Base Plan Zonal Rate for Non-Firm Point-To-Point Transmission Service for each Zone shall be:

Per month = annual Base Plan Zone Rate for the Zone divided by 12;

Per week = annual Base Plan Zonal Rate for the Zone divided by 52;

Per day “on-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 260;

Per day “off-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 365;

Per hour “on-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 4160; and

Per hour “off-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 8760.

4. Base Plan Average Zonal Rate

The total Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H for all Zones less the total of all zonal amounts reallocated in accordance with Section IV.A of Attachment J is the basis for the Base Plan Average Zonal Rate. The annual Base Plan Average Zonal Rate for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula.

$$\text{BPAZR} = \text{TBPZATRR} / \text{MRTL}$$

in which

BPAZR = the annual Base Plan Average Zonal Rate

TBPZATRR = the total Base Plan Zonal Annual Transmission Revenue Requirement for all Zones as specified in Attachment H less the total of all zonal amounts reallocated in accordance with Section IV.A of Attachment J

MRTL = as defined in Section III.C.1

The Base Plan Average Zonal Rates for Firm Point-To-Point Transmission Service and Non-Firm Point-To-Point Transmission Service for each month, week, day on-peak, day off-peak, hour on-peak, and hour off-peak shall be based on the annual Base Plan Average Zonal Rate and calculated consistently with the formulas shown in Sections III.D.2 and III.D.3.

5. Total Zonal Base Plan Charge

The total zonal charge paid by a Transmission Customer under this Schedule 11 pursuant to a reservation for hourly delivery shall not exceed the applicable on-peak daily rate multiplied by the highest amount of Reserved Capacity in any hour during such day. The total zonal charge under this Schedule 11 in any week, pursuant to a reservation for hourly or daily delivery, shall not

exceed the applicable rate specified for weekly delivery multiplied by the highest amount of Reserved Capacity in any hour during such week.

**6. Rate Sheets for Base Plan Zonal Point-To-Point Transmission Service
Firm Point-To-Point Transmission Service**

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges set forth in the RRR File posted on the SPP website.

Non-Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth in the RRR File posted on the SPP website.

E. On-Peak and Off-Peak

Off-Peak days shall be Saturdays and Sundays and all NERC holidays. All other days shall be On-Peak. All hours during Off-Peak days shall be Off-Peak. On-Peak hours during On-Peak days shall be all hours from HE 0700 through HE 2200 Central Prevailing Time. All other hours during On-Peak days shall be Off-Peak.

SCHEDULE 12 FERC ASSESSMENT CHARGE

1. INTRODUCTION

As a public utility, the Transmission Provider is subject to annual charges assessed by the Commission, pursuant to Part 382 of its regulations (the “FERC Assessment”). For each public utility, such assessment is based on the actual megawatt-hours of energy transmitted in interstate commerce during a calendar year, as reported on FERC Form 582. This Schedule 12 provides for recovery of the estimated amount to be assessed by the Commission in the next year for transmission service provided in the current year, with subsequent true-up to actual cost, when such cost is known.

2. APPLICABILITY

Except as provided herein, ~~T~~his charge shall apply to ~~all~~ energy delivered under Point-To-Point Transmission Service and Network Integration Transmission Service and to ~~all~~ energy delivered to Bundled Retail and Grandfathered Loads to which Section 39.1 of this Tariff applies. Pursuant to 18 C.F.R § 382.201(a), the calculation of the FERC Assessment does not include the costs of regulating the Federal Power Marketing Agencies. Therefore, charges under this Schedule 12 shall not be assessed with respect to transmission service provided to Western-UGP for its Statutory Load Obligations.

3. RATE CHARGED

The charge factor developed by the Commission in the prior calendar year and applied to energy transmitted in the second prior calendar year shall be applied monthly to all energy delivered under Point-To-Point Transmission Service, Network Integration Transmission Service, and to all energy delivered to Bundled Retail and Grandfathered Loads to which Section 39.1 applies in that month.

SPPTransmission Provider shall also include in its bills a True-Up Rate. The True-Up Rate shall be the amount of the Commission assessment billed to the Transmission Provider less the total revenue collected by the Transmission Provider under this Schedule 12 for the second

prior year, divided by estimated energy to be transmitted during the current year for all energy delivered under Point-To-Point Transmission Service, Network Integration Transmission Service, and to all energy delivered to Bundled Retail and Grandfathered Loads to which Section 39.1 applies. For the first two years that this FERC Assessment Charge is effective, the True-Up rate shall be zero.

4. BILLING

~~SPP~~Transmission Provider shall bill Transmission Customers and Transmission Owners covered by Section 39.1 the charges specified under this Schedule in accordance with the procedures in Section 7 of this Tariff.

ATTACHMENT H
ANNUAL TRANSMISSION REVENUE REQUIREMENT FOR NETWORK
INTEGRATION TRANSMISSION SERVICE

SECTION I: General Requirements

1. The Zonal Annual Transmission Revenue Requirement (“Zonal ATRR”) for each Transmission Owner for purposes of determining the charges under Schedule 9, Network Integration Transmission Service, is specified in Column (3) Section I, of Table 1. The Base Plan Zonal Annual Transmission Revenue Requirement (“Base Plan Zonal ATRR”) used to determine the zonal charges under Schedule 11 for Base Plan Upgrades issued a Notification to Construct (“NTC”) prior to June 19, 2010 is specified in Column (4) Section I, of Table 1. The Base Plan Zonal ATRR used to determine the zonal charges under Schedule 11 for Base Plan Upgrades issued an NTC on or after June 19, 2010 is specified in Column (5) of Section I, Table 1. The amount of Zonal ATRR and Base Plan Zonal ATRR that is included in Columns (3), (4), (5), and (7) and reallocated to the Region-wide Annual Transmission Revenue Requirement (“Region-wide ATRR”), in accordance with Attachment J, is specified in Column (6) of Section I, Table 1. The Base Plan Zonal ATRR to pay Upgrade Sponsors in accordance with Attachment Z2 is specified in Column (7) of Section I, Table 1.

Table 1
(See Note A below)

(1) Zone	(2)	(3) Zonal ATRR	(4) Base Plan Zonal ATRR	(5) Base Plan Zonal ATRR after June 19, 2010	(6) ATRR Reallocated to Balanced Portfolio Region- wide ATRR	(7) Base Plan Zonal ATRR to pay Upgrade Sponsors
1	American Electric Power –West (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File

1a	American Electric Power (Public Service Company of Oklahoma and Southwestern Electric Power Company) See Section II.3	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File			
1b	East Texas Electric Cooperative, Inc.	\$2,733,879				
1c	Tex-La Electric Cooperative of Texas, Inc.	\$588,874				
1d	Deep East Texas Electric Cooperative, Inc.	\$428,131				
1e	Oklahoma Municipal Power Authority	\$748,647				
1f	AEP West Transmission Companies (AEP Oklahoma Transmission Company, Inc and AEP Southwestern Transmission Company, Inc)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
1g	Coffeyville Municipal Light and Power (CMLP)	\$391,790	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
2	Reserved for Future Use					

3	City Utilities of Springfield, Missouri	\$8,651,509	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
4	Empire District Electric Company	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
5	Grand River Dam Authority	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
6	Kansas City Power & Light Company	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
7	Oklahoma Gas and Electric (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
7a	Oklahoma Gas and Electric	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
7b	Oklahoma Municipal Power Authority	\$368,501	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
8	Midwest Energy, Inc.	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
9	KCP&L Greater Missouri Operations Company (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
9a	KCP&L Greater Missouri Operations Company	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
9b	Transource Missouri, LLC	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
10	Southwestern Power Administration	\$15,533,800	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
11	Southwestern Public Service Company (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File

11a	Southwestern Public Service Company	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
11b	Tri-County Electric Cooperative	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
11c	Lea County Electric Cooperative, Inc.	\$388,000	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
12	Sunflower Electric Power Corporation	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
13	Western Farmers Electric Cooperative	\$20,719,639	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
14	Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy) (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
14a	Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
14b	Prairie Wind Transmission, LLC.	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
14c	Kansas Power Pool	\$350,243	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
15	Mid-Kansas Electric Company (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
15a	Mid-Kansas Electric Company	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
15b	ITC Great Plains	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
15c	Prairie Wind Transmission, LLC.	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File

16	Lincoln Electric System	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
17	Nebraska Public Power District	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
18	Omaha Public Power District	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
<u>19</u>	<u>Upper Missouri Zone – Total</u>	<u>See Att. H tab, posted RRR File</u>	<u>See Att. H tab, posted RRR File</u>	<u>See Att. H tab, posted RRR File</u>	<u>See Att. H tab, posted RRR File</u>	<u>See Att. H tab, posted RRR File</u>
<u>19a</u>	<u>Western-UGP</u>	<u>See Att. H tab, posted RRR File</u>	<u>See Att. H tab, posted RRR File</u>	<u>See Att. H tab, posted RRR File</u>	<u>See Att. H tab, posted RRR File</u>	<u>See Att. H tab, posted RRR File</u>
<u>19b</u>	<u>Basin Electric Power Cooperative</u>	<u>See Att. H tab, posted RRR File</u>	<u>See Att. H tab, posted RRR File</u>	<u>See Att. H tab, posted RRR File</u>	<u>See Att. H tab, posted RRR File</u>	<u>See Att. H tab, posted RRR File</u>
<u>19c</u>	<u>Heartland Consumers Power District</u>	<u>See Att. H tab, posted RRR File</u>	<u>See Att. H tab, posted RRR File</u>	<u>See Att. H tab, posted RRR File</u>	<u>See Att. H tab, posted RRR File</u>	<u>See Att. H tab, posted RRR File</u>
<u>1920</u>	Total				See Att. H tab, posted RRR File	See Att. H tab, posted RRR File

Note A: The Annual Transmission Revenue Requirements (“ATRR”) for each Zone are set forth in the Revenue Requirements and Rates File (“RRR File”) posted on the SPP website.

2. Table 2-A specifies the Region-wide ATRR for Network Upgrades needed prior to October 1, 2015 and Table 2-B specifies the Region-wide ATRR for Network Upgrades needed on or after October 1, 2015. For the purpose of determining the Region-wide Charges under Schedule H, the Region-wide ATRR, as shown in Line 8 of Section I, Table 2-A, shall be the sum of (i) the Base Plan Region-wide Annual Transmission Revenue Requirements (“Base Plan Region-wide ATRR”) (reflected in Line 1 and Line 2), (ii) the total Balanced Portfolio Region-wide Annual Transmission Revenue Requirements (“Balanced Portfolio Region-wide ATRR”) (reflected in Line 3 and Line 4), (iii) for transmission service beginning prior to October 1, 2015, the Base Plan

Region-wide ATRR to pay Upgrade Sponsors ~~(reflected in Line 5)~~as determined in accordance with Attachment Z2 of this Tariff (reflected in Line 5), and (iv) the *Interregional Planning Region Annual Transmission Revenue Requirements* (“*Interregional Planning Region ATRR*”) allocable to customers receiving transmission service under this Tariff for any *Interregional Project(s)* constructed within the *SPP Region* (Line 6) and/or within other *Interregional Planning Regions* (Line 7).

The Region-wide ATRR shown in Line 6 of Section I, Table 2-B, shall be the sum of (i) the Base Plan Region-wide ATRR (reflected in Line 1 and Line 2), (ii) the total Balanced Portfolio Region-wide ATRR (reflected in Line 3 and Line 4) and (iii) for transmission service beginning on or after October 1, 2015, the Base Plan Region-wide ATRR to pay Upgrade Sponsors as determined in accordance with Attachment Z2 of this Tariff (reflected in Line 5).

As described in Schedule 11, the Region-wide Charges for Zones 1 through 18 shall be based upon Line 6 of Table 2-A and Line 6 of Table 2-B. The Region-wide Charges for Zone 19 shall be based upon Line 6 of Table 2-B.

Table 2-A

(See Note B below)

1	Base Plan Region-wide ATRR (NTC prior to June 19, 2010)	See Att. H tab, posted RRR File
2	Base Plan Region-wide ATRR (NTC on or after June 19, 2010)	See Att. H tab, posted RRR File
3	Total ATRR reallocated to Balanced Portfolio Region-wide ATRR from Column (6), Section I, Table 1	See Att. H tab, posted RRR File
4	Balanced Portfolio Region-wide ATRR	See Att. H tab, posted RRR File
5	Base Plan Region-wide ATRR to pay Upgrade Sponsors	See Att. H tab, posted RRR File
6	<i>SPP Interregional Planning Region ATRR</i>	<i>See Att. H tab, posted RRR File</i>
7	<i>Other Interregional Planning Region ATRR</i>	<i>See Att. H tab, posted RRR File</i>

8	Region-wide ATRR (<i>Sum of Lines 1 through 7</i>)	See Att. H tab, posted RRR File
<p style="text-align: center;"><u>Table 2-B</u> <u>(See Note B below)</u></p>		
<u>1</u>	<u>Base Plan Region-wide ATRR (NTC prior to June 19, 2010)</u>	<u>\$0</u>
<u>2</u>	<u>Base Plan Region-wide ATRR (NTC on or after June 19, 2010)</u>	<u>See Att. H tab, posted RRR File</u>
<u>3</u>	<u>Total ATRR reallocated to Balanced Portfolio Region-wide ATRR from Column (6), Section I, Table 1</u>	<u>See Att. H tab, posted RRR File</u>
<u>4</u>	<u>Balanced Portfolio Region-wide ATRR</u>	<u>See Att. H tab, posted RRR File</u>
<u>5</u>	<u>Base Plan Region-wide ATRR to pay Upgrade Sponsors</u>	<u>See Att. H tab, posted RRR File</u>
<u>6</u>	<u>Region-wide ATRR (Line 1 + Line 2 + Line 3 + Line 4 + Line 5)</u>	<u>See Att. H tab, posted RRR File</u>

Note B: The Region-wide ATRRs are set forth in the RRR File posted on the SPP website.

3. A Transmission Owner's revenue requirement referenced or stated in this Attachment H shall not be changed absent a filing with the Commission, accompanied by all necessary cost support, unless such Transmission Owner utilizes Commission-approved formula rate processes contained in this Tariff to determine its revenue requirements.
4. A new or amended revenue requirement referenced or stated in this Attachment H shall not be filed with the Commission by the Transmission Provider unless such revenue requirements have been provided by or for a Transmission Owner. Such revenue requirements shall have been accepted or approved by the applicable regulatory or governing authority except in the event of a simultaneous filing with the Commission by the Transmission Owner and Transmission Provider.
5. If a Transmission Owner has a Commission-approved formula rate, the successful completion of its approved annual formula rate update procedures shall constitute regulatory acceptance sufficient to authorize the Transmission Provider to update that Transmission Owner's revenue requirements posted on the SPP website. Such update by the Transmission Provider shall not require a filing with the Commission, provided that

the Transmission Owner posts the populated formula rate for public review and comment as required under the applicable protocols and/or procedures contained in this Attachment H. The Transmission Provider shall follow any special procedures related to updating a Transmission Owner's revenue requirements as outlined in Section II of this Attachment.

6. The Transmission Provider shall allocate the accepted or approved revenue requirement associated with a Base Plan Upgrade, in accordance with Attachment J to this Tariff, to the Base Plan Region-wide ATRRs in Section I, Table 2-A and Table 2-B above and to the appropriate Base Plan Zonal ATRR in Column (4) or (5) in Section I, Table 1.

SECTION II: Transmission Owner-Specific Requirements

1. Westar Energy, Inc.

For Westar Energy, Inc., the ATRR for purposes of the Network Integration Transmission Service shall be calculated using the rate formula set forth in Attachment H Addendum 3 of this Tariff ("Westar Formula Rate"). The results of the formula calculation shall be posted on the Transmission Provider's website and in an accessible location on Westar's OASIS website by October 15 of each calendar year and shall be effective on January 1 of the following year. The Zonal Revenue Requirement to be used for the Westar zone, Column (3) of Section I, Table 1 of this Attachment H, shall be calculated by taking the SPP Zonal Revenue Requirement as identified on the Projected Net Revenue Requirements page, line 10 of the Westar Formula Rate; less the sum of the current year's revenue requirement associated with all transmission facilities owned by Westar in other pricing zones when such revenue requirements are included in the revenue requirements specified in the Westar Formula Rate on the Projected Net Revenue Requirements page, line 10; plus the previous calendar year's total firm Point-To-Point transmission revenue allocated to Westar under Attachment L provided such Point-to-Point transmission revenue is deducted from Westar's ATRR under Section 34.1 of this Tariff.

The revenue requirements for Base Plan Funded projects owned by Westar shall be the amount contained on the Projected Net Revenue Requirements page, line 9 of the Westar Formula Rate.

The revenue requirements for Balanced Portfolio funded projects owned by Westar shall be the amount contained on the Projected Net Revenue Requirements page, line 9a of the Westar Formula Rate. Following its posting of the updated revenue requirements by October 15 of each calendar year as discussed above, the Transmission Provider shall immediately update the various Base Plan and Balanced Portfolio funded costs and allocations contained in the Tariff and file them with the Commission no later than December 15 of each calendar year with a requested effective date of January 1.

2. Southwestern Public Service Company

For Southwestern Public Service Company (“SPS”), the Existing Zonal ATRR for Zone 11 in Column (3), of Section I, Table 1 of this Attachment H shall be calculated using: (1) the formula rate as specified in Attachment O – SPS of the Xcel Energy Operating Companies Joint Open Access Transmission Tariff (“Xcel Energy OATT”), (2) will be equal to the Current Year Revenue Requirement with True Up as specified on line 6, page 1 of Attachment O – SPS of the Xcel Energy OATT, (3) and subject to the Implementation Procedures in Appendix 1 of Attachment O – SPS of the Xcel Energy OATT. The results of the formula calculation shall be posted on the SPP website and in an accessible location on SPS’s OASIS website by October 1 of each calendar year and shall be effective on January 1 of the following year. The Existing Zonal ATRR for Zone 11, in Column (3), Section I, Table 1 of this Attachment H shall not be subject to adjustment pursuant to section 34.1 for the previous calendar year’s total firm Point-to-Point transmission revenue allocated to SPS under Attachment L when determining the monthly zonal Demand Charge for Zone 11.

3. American Electric Power

The American Electric Power ATRR for purposes of the Network Integrated Transmission Service shall be (i) calculated using the formula rate set forth in Addendum 1 to this Attachment H, (ii) posted on the SPP website by May 25 of each calendar year, and (iii) effective on July 1 of such year.

4. Nebraska Public Power District: Formula Rate Implementation Protocols and Formula Rate Template

Section 1. Annual Updates

The Formula Rate Template set forth in Addendum 7 and these Formula Rate Implementation Protocols (“Protocols”) together comprise the filed rate by Southwest Power Pool (“SPP”) for calculating Nebraska Public Power District’s (“NPPD”) Zonal ATRR for Transmission Service under the SPP OATT. NPPD must follow the instructions specified in the Formula Rate Template to calculate the rates for NITS, the rates for Schedule 1 Service, the rates for Point-to-Point services over facilities in SPP Zone 17 and the ATRR for Base Plan Upgrades and other network upgrades.

The initial Zonal ATRR and the initial rates will be in effect for a partial year from the effective date of NPPD’s transfer of operational control of its transmission facilities to SPP until December 31, 2009. The Formula Rate shall be recalculated each year with the resulting rates to become effective on and after January 1 of each year through December 31 of such year. The resulting rates implemented each January 1 will be subject to review and true-up as further provided in the Protocols.

No later than September 1, 2009 and September 1 of each year thereafter, NPPD, upon initial approval of NPPD’s Board of Directors, shall determine its projected Zonal ATRR, and resulting rates for the following calendar year, in accordance with the Protocols and the Formula Rate Template of Addendum 7 of this Attachment H. NPPD will post such determination on its website and will send such determination to SPP for posting on the publicly accessible portion of the SPP website. Contemporaneously, NPPD shall provide notice to its wholesale customers and interested parties of its projected Zonal ATRR and resultant rates, including all inputs in sufficient detail to identify the components of NPPD’s Zonal ATRR. Commencing September 1 of each year, such parties may submit

written questions and answers will be provided by NPPD within ten (10) business days. NPPD will post on the NPPD website responses to any such inquiries and information regarding frequently asked questions. No later than September 30 of each year, NPPD will hold a meeting with wholesale customers and interested parties to explain the formula rate input projections and provide an opportunity for oral and written comments. Written comments must be submitted no later than October 30. No later than December 15 of each year, NPPD will provide to SPP for posting on the publicly accessible portion of the SPP website NPPD's final Zonal ATRR and resulting rates to become effective January 1 of the following calendar year.

Section 2. True-Up Adjustments

On or before June 1, 2010 and on or before June 1 of each year thereafter, NPPD will calculate the True-Up Adjustment with supporting data inputs in sufficient detail to identify the projected and actual cost of each element of NPPD's Zonal ATRR and actual revenues. NPPD will reflect the True-Up Adjustment as a line item in its Zonal ATRR noticed on September 1, 2010 and in the ATRR noticed on September 1 of each year thereafter. The True-Up Adjustment will be determined in the following manner:

- (1) Actual transmission revenues associated with transactions included in the Divisor of the Formula Rate Template for the previous calendar year will be compared to the Actual Zonal ATRR. The Actual Zonal ATRR shall be calculated in accordance with the Formula Rate Template and actual data for the previous year. For each year, NPPD will complete and make available for review, on its website, actual data as recorded in accordance with FERC's Uniform System of Accounts, including an affidavit of the Chief Financial Officer of NPPD attesting to the accuracy of the cost and revenue data set forth therein. In addition, NPPD shall provide an explanation of any change in accounting policies and practices that NPPD employed during the preceding twelve-month period that affect

transmission accounts or the allocation of common costs to transmission. Actual costs incurred during the applicable calendar year will be compared to actual revenues recovered during such period to determine whether there was any under-recovery or over-recovery. The True-Up Adjustment and related calculations shall be posted no later than June 1 on NPPD's website and on the publicly accessible portion of the SPP website. Commencing June 1 of each year, any interested party may submit written questions and answers will be provided by NPPD within ten (10) business days. NPPD will post on the NPPD website responses to any such inquiries and information regarding frequently asked questions. Written comments must be submitted no later than July 15 of each year. NPPD will post on the NPPD website the final True-Up Adjustment no later than September 1 of each year.

- (2) Interest on any over-recovery or under-recovery of the Zonal ATRR shall be based on the interest rate equal to NPPD's actual short-term debt costs, capped at the applicable interest rate set forth in 18 C.F.R. §35.19a of the Commission's regulations. The interest rate equal to NPPD's actual short-term debt costs shall be calculated in accordance with Worksheet K to the Formula Rate Template.
- (3) The Zonal ATRR for transmission services for the following year shall be the sum of the projected Zonal ATRR for the following year and a True-Up Adjustment for the previous year, including interest as explained above.

Section 3. NPPD Formula Rate Blank Template

NPPD's Formula Rate Template to be used for calculating the Zonal ATRR and NITS rates, Schedule 1 rates, Point-to-Point rates, ATRR Base Plan Upgrade and other network upgrades set forth in Attachment H – Addendum 7. The provisions of such Formula Rate Template are not subject to changes except through a filing under Section 205 or 206 of the Federal Power Act.

5. Omaha Public Power District

For the Omaha Public Power District (“OPPD”), the ATRR for purposes of the Network Integration Transmission Service, Base Plan Upgrades, Scheduling, System Control, and Dispatch Service, and for the determination of Point-to-Point rates shall be calculated using the Formula-based Rate Template set forth in Attachment H - Addendum 8 of this Tariff. The ATRR and rates calculated pursuant to the formula-based rate template shall be revised annually. The results of such annual calculations shall be posted on OPPD’s OASIS website and in a publically accessible location on the Transmission Provider’s website by May 15 of each calendar year. Written comments will be accepted until June 15 and the annual revenue requirement and rates shall become effective from August 1 of such year through July 31 of the following year. Initially, the rates calculated pursuant to the formula-based rate template and incorporated into this SPP OATT will be in place through July 31, 2009.

6. Lincoln Electric System

For the Lincoln Electric System (“LES”), ATRR of Network Integration Transmission Service, Base Plan Upgrades, Scheduling, System Control and Dispatch Service, and for the determination of Point-to-Point rates shall be calculated using the forward-looking Formula Rate Template set forth in Attachment H - Addendum 6 of this Tariff. The ATRR and rates calculated pursuant to the forward-looking formula rate template shall be revised annually. The results of such annual calculations shall be posted on LES’ public page of the SPP OASIS website by October 31 of each calendar year. Customers will be given an opportunity to ask questions by November 30 and to seek information regarding the calculations. Written comments will be accepted until November 15. The annual revenue requirement and rates derived therefrom shall become effective from January 1 through December 31 of the following year. Initially, the rates calculated pursuant to the historical formula based rate template and incorporated into this SPP OATT will be in place through December 31, 2012. Rates calculated pursuant to the forward-looking formula rate template and incorporated into this SPP OATT will be in place through December 31, 2013.

1. Actual Net Revenue Requirement (calculated in accordance with page 1, line 7 of Attachment H, Addendum 6) for the previous year shall be compared to the projections made for that same year (True-Up Year) to determine any excess or shortfall in the projected revenue requirement that was used for billing purposes in the True-Up Year. In addition, actual divisor loads (based on a 12 CP average) will be compared to projected divisor loads (page 1, line 10 of Attachment H, Addendum 6) and the difference multiplied by the rate actually billed to determine any excess or shortfall in collection due to volume. The sum of the excess or shortfall due to the actual versus projected revenue requirement and the excess or shortfall due to volume shall constitute the True-up Adjustment. The True-up Adjustment and related calculations shall be posted to the Transmission Provider's public webpage of the SPP OASIS website no later than June 1. LES will provide an explanation of the True-up Adjustment in response to customer inquiries and will post on its public page of the SPP OASIS website information regarding frequently asked questions.
2. Interest on any over recovery of the net revenue requirement or any over recovery due to volume changes shall be determined based on the Commission's regulation at 18 C.F.R. § 35.19a. Interest on any under recovery of the net revenue requirement or any under recovery due to volume changes shall be determined using the interest rate equal to LES's actual short-term debt costs capped at the applicable FERC refund interest rate. In either case, the interest payable shall be calculated using an average interest rate for the twenty-four (24) months during which the over or under recovery in the revenue requirement or volume changes exists. The interest rate to be applied to the over or under recovery amounts will be determined using the average rate for the nineteen (19) months preceding August of the current year. The interest amount (page 1, line 6e of Attachment H, Addendum 6) will be included in the projected costs made available October 31.

3. The Net Revenue Requirement for transmission services for the following year shall be the sum of the projected revenue requirement for the following year (page 1, line 1 of Attachment H, Addendum 6) minus Total Transmission Revenue Credits (page 1, line 5 of Attachment H, Addendum 6), plus or minus the True-up Adjustment (page 1, line 6c minus line 6d plus line 6e of Attachment H, Addendum 6) from the previous year, if any, including interest, as explained.
4. Example True-up of 2012 Net Revenue Requirement
 - 2012 Projected Net Revenue Requirement was \$20,000,000, projected load was 500,000 kW and the resulting rate was \$40.0000 per kW-year.
 - 2012 Actual Net Revenue Requirement was \$19,500,000, actual 12 CP load was 475,000 kW resulting in a rate of \$41.0526 per kW-year.
5. True-Up Calculation
 - There is an over recovery of the net revenue requirement equal to \$500,000 ($\$20,000,00 - \$19,500,000 = \$500,000$).
 - There is a \$1,000,000 shortfall in revenue collection due to volume ($(500,000 \text{ kW} - 475,000 \text{ kW}) \times \$40.00 \text{ per kW-year} = \$1,000,000$).
 - The total True-up Adjustment amount would be a net under recovery of \$500,000 ($\$500,000 \text{ (over recovery)} - \$1,000,000 \text{ (shortfall)} = -\$500,000 \text{ (shortfall)}$).
6. Interest on True-up Adjustment

Interest will be applied to the True-up Adjustment for the twenty-four (24) months during which the under recovery existed, from January 1, 2012 through December 31, 2013. The interest rate applied will be Lincoln Electric System's average monthly short-term debt interest rate, capped at the FERC refund interest rate, in effect January 1, 2012 through July 31, 2013.
7. Informational Posting

Lincoln Electric System will post all information relating to the True-up Adjustment no later than June 1, 2014, affording interested parties at least seven months to review these calculations in advance of the related January 1 rate change. LES will provide an explanation of the True-up Adjustment

amounts in response to customer inquiries and will post on the OASIS information regarding frequently asked questions. This True-up Adjustment with interest will be included in the projected 2015 net revenue requirement and estimated rates will be made available to customers by October 31, 2014. New rates will take effect on January 1, 2015.

7. Mid-Kansas Electric Company, LLC

No changes to the ratios used to establish rates pursuant to Addendum 19 of this Attachment H will take effect unless accepted for approval by the FERC pursuant to the Federal Power Act.

8. Sunflower Electric Power Corporation

No changes to the ratios used to establish rates pursuant to Addendum 20 of this Attachment H will take effect unless accepted for approval by the FERC pursuant to the Federal Power Act.

III. Base Plan Upgrades

A single Base Plan Upgrade is comprised of any upgrade or group of upgrades required to be made to a single transmission circuit, where a transmission circuit is comprised of all load carrying elements between circuit breakers or the comparable switching devices. A load carrying element within a Base Plan Upgrade that is connected at two different voltage levels (e.g. a 345kV/138kV transformer) shall, for the purposes of this Attachment J, be considered to have a nominal operating voltage of its lower voltage level (excluding any tertiary windings) and its costs shall be allocated in accordance with the rules governing the lower voltage level in this Attachment J. A waiver may be requested to use a transformer's higher voltage level instead of the lower voltage level for the purposes of cost allocation under this Attachment J based on the anticipated utilization of the transformer. Such request must be made in writing with supporting analysis and submitted to the Transmission Provider not later than one hundred eighty (180) days following the inclusion of the transformer in an approved SPP Transmission Expansion Plan. Any waiver request submitted shall be evaluated based upon the following general factors, including but not limited to: (i) whether the power flows through the transformer predominately are from the lower voltage to the higher voltage; (ii) whether the transformer is not necessary for the support of, or does not substantially benefit, the lower voltage system in the host zone to which it is connected. The Transmission Provider shall make a recommendation to accept or deny the waiver, on a non-discriminatory basis, to the Markets and Operations Policy Committee. The Markets and Operations Policy Committee will consider the waiver request and the Transmission Provider's recommendation, and will provide its own recommendation (along with the Transmission Provider's recommendation) regarding such waiver to the SPP Board of Directors. Barring unusual circumstances, the recommendation to approve or reject such waiver request will be submitted to the SPP Board of Directors within one hundred twenty (120) days following the receipt of the waiver request.

A. Allocation of Base Plan Upgrade Costs Eligible for Cost Allocation

1. If the cost of a Base Plan Upgrade is less than or equal to \$100,000, the annual transmission revenue requirement associated with such Base Plan Upgrade shall be allocated to the Base Plan

Zonal Annual Transmission Revenue Requirement of the Zone in which the Base Plan Upgrade is located.

2. Other than Base Plan Upgrades allocable under Section III.A.1, if
 - a) the Base Plan Upgrade is included in and constructed pursuant to the SPP Transmission Expansion Plan in order to ensure the reliability of the Transmission System; b) is included in Schedule 2 of this Attachment J; c) or ~~is an approved high priority upgrade, and the cost for that upgrade is not allocable under Section III.A.1;~~ or bd) is at the Base Plan Upgrade cost eligible for cost allocation under Section III.B.1 and is not associated with a new or changed Designated Resource for a wind generation plant, then:
 - i. X% of the annual transmission revenue requirement associated with such Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Region-wide Annual Transmission Revenue Requirement and recovered through the Region-wide Charge, where X shall be set as follows:
 - a. For all Base Plan Upgrades issued a Notification to Construct prior to June 19, 2010 or whose nominal operating voltage level is less than 300 kV but greater than 100 kV, X shall be 33%.
 - b. For all other Base Plan Upgrades whose nominal operating voltage level is greater than or equal to 300 kV, X shall be 100%.
 - c. For all other Base Plan Upgrades whose nominal operating voltage level is less than or equal to 100 kV, X shall be 0%.
 - ii. (100-X)% of the annual transmission revenue requirement associated with such Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Zonal

Annual Transmission Revenue Requirement and recovered through the Base Plan Zonal Charge as follows:

- a. For Base Plan Upgrades issued a Notification to Construct prior to June 19, 2010, this portion of the annual transmission revenue requirement for Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Zonal Annual Transmission Revenue Requirement of specific Zones based on the Zones' share of the incremental positive MW-mile benefits as computed in Section 4 of Attachment S to this Tariff. Each Zone with a benefit of at least 10 MW-miles from a given Base Plan Upgrade shall be allocated a portion of the Base Plan Zonal Annual Transmission Revenue Requirement for such upgrade based on its incremental positive MW-mile benefit divided by the sum of the incremental positive MW-mile benefits for all of those Zones with a benefit of at least 10 MW-miles from the upgrade, provided that such allocation represents an engineering and construction cost of at least \$100,000.
 - b. For all other Base Plan Upgrades, this portion of the annual transmission revenue requirement for Base Plan Upgrade costs eligible for cost allocation shall be allocated solely to the Base Plan Zonal Annual Transmission Revenue Requirement of the Zone in which the Base Plan Upgrade is located.
3. If the Base Plan Upgrade cost eligible for cost allocation under Section III.B.1 of Attachment J is a) associated with a new or changed Designated Resource that is a wind generation plant and

b) the Base Plan Upgrade is located within the same zone as the Transmission Customer's Point of Delivery, then:

- i. X% of the annual transmission revenue requirement associated with the portion of the Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Region-wide Annual Transmission Revenue Requirement and recovered through the Base Plan Region-wide Charge, where X shall be set as follows:
 - a. For Base Plan Upgrades issued a Notification to Construct prior to June 19, 2010 or whose nominal operating voltage level is less than 300 kV and greater than 100 kV, X shall be 33%.
 - b. For all other Base Plan Upgrades whose nominal operating voltage level is greater than or equal to 300 kV, X shall be 100%.
 - c. For all other Base Plan Upgrades whose nominal operating voltage level is less than or equal to 100 kV, X shall be 0%.
- ii. (100-X)% of the annual transmission revenue requirement associated with the portion of the Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Zonal Annual Transmission Revenue Requirement and recovered through the Base Plan Zonal Charge as follows:
 - a. For Base Plan Upgrades issued a Notification to Construct prior to June 19, 2010, this portion of the annual transmission revenue requirement for Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Zonal Annual Transmission Revenue Requirement of specific Zones based on the Zones' share of the incremental

positive MW-mile benefits as computed in Section 4 of Attachment S to this Tariff. Each Zone with a benefit of at least 10 MW-miles from a given Base Plan Upgrade shall be allocated a portion of the Base Plan Zonal Annual Transmission Revenue Requirement for such upgrade based on its incremental positive MW-mile benefit divided by the sum of the incremental positive MW-mile benefits for all of those Zones with a benefit of at least 10 MW-miles from the upgrade, provided that such allocation represents an engineering and construction cost of at least \$100,000.

- b. For all other Base Plan Upgrades, this portion of the annual transmission revenue requirement for Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Zonal Annual Transmission Revenue Requirement of the Zone in which the Base Plan Upgrade is located.

- 4. If the Base Plan Upgrade cost eligible for cost allocation under Section III.B.1 of Attachment J is a) associated with a new or changed Designated Resource that is a wind generation plant and b) the Base Plan Upgrade is located within a zone(s) other than the Transmission Customer's Point of Delivery, then:

- i. Y% of the annual transmission revenue requirement associated with the Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Region-wide Annual Transmission Revenue Requirement and recovered through the Base Plan Region-wide Charge, where Y shall be set as follows:

- a. For Base Plan Upgrades issued a Notification to Construct prior to June 19, 2010 or whose nominal

operating voltage level is less than 300 kV, Y shall be 67%.

- b. For all other Base Plan Upgrades Y shall be 100%.
- ii. (100-Y)% of the annual transmission revenue requirement associated with the Base Plan Upgrade costs eligible for cost allocation shall be directly assigned to the Transmission Customer.

B. Conditions for Classifying Service Upgrade Costs Associated with Designated Resources As Base Plan Upgrade Costs Eligible for Cost Allocation

- 1. Except as provided in Section III.A.1 and subject to the limits and rules set forth in Subsections d and f below, the costs of Service Upgrades associated with new or changed Designated Resources shall be classified as Base Plan Upgrade costs eligible for cost allocation if the conditions in the following Subsections a and b are met, and if the condition in Subsection c is met as applicable.
 - a. The Transmission Customer's commitment to the Designated Resource has a duration of at least five years
 - b. In the first year the Designated Resource is planned to be used by the Transmission Customer, the accredited capacity of the Transmission Customer's existing Designated Resources plus the lesser of: (a) the planned maximum net dependable capacity applicable to the Transmission Customer or (b) the requested capacity; shall not exceed 125% of the Transmission Customer's projected system peak responsibility determined pursuant to SPP Criteria 2.
 - c. If the Designated Resource is a wind generation plant, then the sum of: (1) the requested capacity and (2) the transmission capacity reserved for the Transmission Customer's existing Designated Resources that are wind generation plants shall not exceed 20% of the Transmission

Customer's projected system peak responsibility as determined pursuant to SPP Criteria 2 in the first year the Designated Resource is planned to be used by the Transmission Customer.

- d. Safe Harbor Cost Limit for Eligibility of the Costs of Base Plan Upgrade for Cost Allocation
 - i. For Base Plan Upgrades that cost over \$100,000, the aggregate cost of such upgrades assigned to each individual transmission service request that is less than or equal to the Safe Harbor Cost Limit of \$180,000 / MW times the requested capacity is eligible for cost allocation in accordance with:
 - 1) Section III.A.2 for a new or changed Designated Resource other than a wind generation plant; or
 - 2) Sections III.A.3 and 4 for a new or changed Designated Resource that is a wind generation plant.
 - ii. Unless a waiver of the Safe Harbor Cost Limit is granted pursuant to Section III.C, any costs that exceed the Safe Harbor Cost Limit for a transmission service request shall be directly assigned to the Transmission Customer and allocated among the upgrades affected by the transmission service request in accordance with Section V.c of Attachment Z1 of this Tariff.
- e. Base Plan Upgrade costs eligible for allocation as a result of the granting of a waiver shall be allocated in accordance with Sections III.A.2, III.A.3, or III.A.4, as applicable.
- f. For each transmission service request, the amount of Base Plan Upgrade costs eligible for cost allocation shall be

allocated among all Upgrades required to grant the transmission service request based upon the remaining cost after allocation of any Directly Assigned Upgrade Costs in accordance with Section III.B.1(d)(ii) of this Attachment J.

2. The Transmission Customer must provide the Transmission Provider the information that the Transmission Provider deems necessary to verify that the new or changed Designated Resource meets conditions in Section III.B.1.a, b and c above.
3. If an upgrade for a new or changed Designated Resource meets the requirements set forth in Section III.B.1.a, b, and c above, the costs up to the \$180,000/MW Safe Harbor Cost Limit will be classified as Base Plan Upgrade costs eligible for cost allocation.
4. If the conditions set forth in Section III.B.1.a, b, and c above are not met, and the Transmission Customer does not secure a waiver of the relevant condition(s), the costs of the upgrades will be directly assigned to the Transmission Customer. If the costs of upgrades associated with a new or changed Designated Resource exceeds the Safe Harbor Cost Limit and the Transmission Customer does not secure a waiver of that limit, the costs of the upgrades in excess of the limit will be directly assigned to the Transmission Customer. The Transmission Customer shall receive transmission revenue credits in accordance with Attachment Z2 to this Tariff for any such directly assigned costs.

C. Waiver of Conditions for Classifying Service Upgrade Costs Associated with Designated Resources As Base Plan Upgrade Costs Eligible for Cost Allocation

1. Waiver Process

If one or more of the conditions in Section III.B.1.a, b, c are not met or if the Base Plan Upgrade cost exceeds the Safe Harbor Cost Limit, the Transmission Customer may seek a waiver from the Transmission Provider in order that the costs of any Service Upgrade(s) that otherwise

would be directly assigned to the Transmission Customer may be classified in whole or in part as Base Plan Upgrade costs eligible for cost allocation.

To obtain a waiver for the conditions set forth in Section III.B.1.a, b, c, the Transmission Customer must submit a request for a waiver to the Transmission Provider simultaneous with its request for long-term transmission service, submitted in accordance with Attachment Z1 to this Tariff, for the new or changed Designated Resource.

Aggregate Facilities Studies performed by the Transmission Provider as part of the Aggregate Transmission Service Study procedure, which is described in Attachment Z1, will determine whether the costs for Service Upgrades associated with a new or changed Designated Resource might exceed the Safe Harbor Cost Limit. If the Transmission Provider determines that the costs for Service Upgrades associated with a new or changed Designated Resource might exceed the Safe Harbor Cost Limit, the Transmission Provider shall notify the affected Transmission Customer when the Transmission Provider posts the associated Facilities Study. The affected Transmission Customer may request a waiver regarding the costs in excess of the Safe Harbor Cost Limit within 15 days of such notice from the Transmission Provider.

Following the receipt of a request for a waiver, the Transmission Provider will review the request and make a determination on a non-discriminatory basis of whether a waiver should be granted based upon consideration of the factors described in Section III.C.2. of this Attachment. The Transmission Customer requesting the waiver shall be responsible for the reasonable costs of any studies that the Transmission Provider performs in making its determination. The Transmission Provider will provide a report and recommendation to the Markets and Operations Policy Committee for each requested waiver. The Markets and Operations Policy Committee will consider the waiver request and the Transmission Provider's report and recommendation, and will provide its

own recommendation (along with the Transmission Provider's report and recommendation) regarding each requested waiver to the SPP Board of Directors. Barring unusual circumstances, a valid waiver request will be reviewed and submitted to the SPP Board of Directors within 120 days following the receipt of the waiver request.

2. Factors to be Considered in Evaluating Waiver Requests

Any waiver request submitted by a Transmission Customer pursuant to Section III.C.1. of this Attachment shall be evaluated based upon the following general factors, including but not limited to:

- i. There are insufficient competitive resource alternatives for one or more Transmission Customers.
- ii. In the event that the aggregate costs of a Service Upgrade associated with a new or changed Designated Resource exceed the Safe Harbor Cost Limit, (i) those costs up to the level of the Safe Harbor Cost Limit shall be classified as Base Plan Upgrade costs eligible for cost allocation, and (ii) those costs that exceed the Safe Harbor Cost Limit may be classified in whole or in part as Base Plan Upgrade costs eligible for cost allocation taking into account the extent to which the duration of the Transmission Customer's commitment to the new or changed Designated Resource exceeds the five-year commitment period set forth in paragraph III.B.1. above.
- iii. The five-year commitment period for the new or changed Designated Resource may be waived if: (i) the associated Service Upgrade costs are significantly less than the Safe Harbor Cost Limit; or (ii) the associated Service Upgrades provide benefits to other Transmission Customers that would offset in less than five years any costs allocated to them as a result of the upgrade being classified as a Base Plan Upgrade.
- iv. If a request for a waiver is received by the Transmission Provider based upon other circumstances, such waiver request shall also be

considered pursuant to the waiver process described in Section III.C.1. of this Attachment.

If the costs of the Service Upgrade(s) required for a new or changed Designated Resource are not eligible for classification as Base Plan Upgrade costs, the Transmission Customer may nevertheless request the construction of such upgrades. In such event, the costs of such upgrades shall be allocated in accordance with Attachment Z1 to this Tariff.

D. Review of Base Plan Allocation Methodology

1. The Transmission Provider shall review the reasonableness of the regional allocation methodology and factors (X% and Y%) and the zonal allocation methodology at least once every three years in accordance with this Section III.D. The Transmission Provider and/or the Regional State Committee may initiate such review at any time. Any change in the regional allocation methodology and factors or the zonal allocation methodology shall be filed with the Commission.
2. For each review conducted in accordance with Section III.D.1, the Transmission Provider shall determine the cost allocation impacts of the Base Plan Upgrades with Notifications to Construct issued after June 19, 2010 to each pricing Zone within the SPP Region. The Transmission Provider in collaboration with the Regional State Committee shall determine the cost allocation impacts utilizing the analysis specified in Section III.e of Attachment O and the results produced by the analytical methods defined pursuant to Section III.D.4(i) of this Attachment J.
3. The Transmission Provider shall review the results of the cost allocation analysis with SPP's Regional Tariff Working Group, Markets and Operations Policy Committee, and the Regional State Committee. The Transmission Provider shall publish the results of

the cost allocation impact analysis and any corresponding presentations on the SPP website.

4. The Transmission Provider shall request the Regional State Committee provide its recommendations, if any, to adjust or change the costs allocated under this Attachment J if the results of the analysis show an imbalanced cost allocation in one or more Zones.
 - i) One year prior to each three-year planning cycle (starting in 2013) the Markets and Operations Policy Committee and Regional State Committee will define the analytical methods to be used to report under this Section III.D and suggest adjustments to the Regional State Committee and Board of Directors on any imbalanced zonal cost allocation in the SPP footprint; and
 - ii) Starting in 2015 and at any time thereafter, any member company that feels that it has an imbalanced cost allocation may request relief through the Markets and Operations Policy Committee. The Markets and Operations Policy Committee recommendation, if any, will be forwarded with the request for relief to the Regional State Committee and Board of Directors for review.
5. In accordance with the SPP Bylaws, the SPP Board of Directors will initiate the appropriate actions, including any necessary filings with the Commission, consistent with the Regional State Committee recommendations.

V. Other Network Upgrades

A. Sponsored Upgrades

The Directly Assigned Upgrade Cost of a Sponsored Upgrade shall be borne voluntarily by the Project Sponsor. The Project Sponsor shall execute an Agreement for Sponsored Upgrade in which it agrees to bear these Directly Assigned Upgrade Costs. In the Agreement, the Project Sponsor shall elect to pay for the Sponsored Upgrade by (1) a lump sum payment or (2) periodic charges calculated in accordance with Commission policy (both hereafter referred to as “Project Sponsor’s Payment”). The lump sum payment option is the only eligible option for a Sponsored Upgrade to be constructed by Western-UGP. Such periodic charges shall be paid on a monthly basis over a twenty year period unless a different frequency and/or shorter term is established in the Agreement for Sponsored Upgrade. The present value of the Project Sponsor’s Payment shall equal the present value of the annual revenue requirements of the Sponsored Upgrade over a twenty year plant life. The annual revenue requirements of the Sponsored Upgrade shall be calculated by multiplying the levelized fixed charge rate of the Transmission Owner, based on full depreciation over a 20 year plant life and including operating and maintenance expenses and any applicable tax consequences, by the nondepreciated actual cost of the Sponsored Upgrade.

The Transmission Provider shall file the Agreement initially utilizing good faith estimates of the construction costs for the assigned upgrade. Upon completion of the Sponsored Upgrade, the Transmission Provider shall true up the Directly Assigned Upgrade Costs to the actual construction costs as appropriate and calculate the Project Sponsor’s Payment.

In addition, the Directly Assigned Upgrade Cost of the Sponsored Upgrade shall be reduced as provided in Section VII of this Attachment J and by any revenue credits granted to a Transmission Owner for the use of the Sponsored Upgrade.

The Project Sponsor shall receive transmission revenue credits in accordance with Attachment Z2.

B. Service Upgrades

The cost of a Service Upgrade shall be allocated in accordance with Attachment Z1 to this Tariff. The Transmission Customer shall receive transmission revenue credits in accordance with Attachment Z2.

C. Generation Interconnection Related Network Upgrades

The cost of a generation interconnection related Network Upgrade shall be allocated in accordance with Attachment V to this Tariff. The Interconnection Customer shall receive transmission revenue credits in accordance with Attachment Z2.

D. Zonal Reliability Upgrades

1. The cost of Zonal Reliability Upgrades (i) included in the 2005 SPP Transmission Expansion Plan and (ii) placed in service prior to January 1, 2008 shall be allocated in accordance with Section III to this Attachment.
2. The cost of all other Zonal Reliability Upgrades shall be includable in the applicable Zonal Annual Transmission Revenue Requirement.

Schedule 2 to Attachment J

**Base Plan Upgrades Specifically Designated for Cost Allocation under Attachment J,
Section III.A.2**

<u>Project</u>		<u>Owner</u>	<u>Date Needed</u>	<u>Voltage</u>
<u>345 kV Line - AVS to Charlie Creek #2</u>	<u>ZONE 19</u>	<u>BEPC</u>	<u>12/1/2017</u>	<u>345</u>
<u>AVS Switchyard [345 kV]</u>	<u>ZONE 19</u>	<u>BEPC</u>	<u>12/1/2017</u>	<u>345</u>
<u>Charlie Creek Substation [345 kV]</u>	<u>ZONE 19</u>	<u>BEPC</u>	<u>12/1/2017</u>	<u>345</u>
<u>230/115 kV Line (DC) - Judson Sub to Williston Sub [230 kV portion]</u>	<u>ZONE 19</u>	<u>BEPC</u>	<u>12/1/2017</u>	<u>230</u>
<u>345/230 kV Judson Substation</u>	<u>ZONE 19</u>	<u>BEPC</u>	<u>12/1/2017</u>	<u>230</u>
<u>345 kV Line - Charlie Creek Sub to Indian Hills to Judson</u>	<u>ZONE 19</u>	<u>BEPC</u>	<u>12/1/2017</u>	<u>345</u>
<u>230 kV Line - Tande Sub to Neset Sub</u>	<u>ZONE 19</u>	<u>BEPC</u>	<u>12/1/2017</u>	<u>230</u>
<u>345/230 kV Tande Substation</u>	<u>ZONE 19</u>	<u>BEPC</u>	<u>12/1/2017</u>	<u>230</u>
<u>345 kV Line - Judson Sub to Tande Sub</u>	<u>ZONE 19</u>	<u>BEPC</u>	<u>12/1/2017</u>	<u>345</u>
<u>Neset Substation [230 kV]</u>	<u>ZONE 19</u>	<u>BEPC</u>	<u>12/1/2017</u>	<u>230</u>
<u>Lower Brule 230 kV Sub</u>	<u>ZONE 19</u>	<u>BEPC</u>	<u>12/1/2016</u>	<u>230</u>
<u>Lower Brule - Witten 230 kV Line</u>	<u>ZONE 19</u>	<u>BEPC</u>	<u>12/1/2016</u>	<u>230</u>
<u>Communication Facilities assoc. with Lower Brule - Witten 230 kV line</u>	<u>ZONE 19</u>	<u>BEPC</u>	<u>12/2/2016</u>	<u>230</u>

I. Redispatch to Accommodate a request for Firm Transmission Service

A. Purpose

This Procedure shall apply only to entities that, when applying for Firm Point-To-Point or Network Integration Transmission Service, were told that the service could be provided only if redispatch occurs, and that agreed to pay redispatch costs. If an entity in these circumstances does not agree to pay redispatch costs, then its request for Firm Point-to-Point or Network Integration Transmission Service will be denied in whole or in part. To the extent the Transmission Provider can relieve any system constraint for Firm Point-To-Point or Network Integration Transmission Service by redispatching the generation resources of ~~the~~ willing Transmission Owner(s) or other willing generators, it shall do so, provided that the Eligible Customer agrees to compensate the Transmission Provider pursuant to the terms of Section 27 of this Tariff and this procedure. The procedure under this Section I is not for the purpose of sustaining non-firm service.

B. Obligations

The Transmission Provider shall arrange for the redispatch of the generation resources of the Transmission Owner(s) or other willing generators for the stated purpose. As a condition precedent to receiving Firm Point-to-Point or Network Integration Transmission Service, a Transmission Customer agrees to pay (1) the applicable Transmission Service charges described in Schedules 1 through 11; and (2) the actual redispatch cost necessary to relieve transmission constraints. To the extent practical, the redispatch of all such resources shall be on a least cost basis. The total charges to be paid by the Transmission Customer under this Tariff shall not exceed the total charges the Transmission Customer would have paid under the Transmission Service Tariffs of the Transmission Owners for the Transmission Service in the same amount from the same Point of Receipt to the same Point of Delivery unless any additional charges to the Transmission Customer are permitted by Commission policy.

C. Assessment Process

Upon receipt of an Application for Firm Point-to-Point or Network Integration Transmission Service, the Transmission Provider shall make a determination of the availability of the requested Firm Transmission Service. The Transmission Provider's Security Coordination Center will identify transmission constraints utilizing generally accepted power system analysis techniques. Where the requested Firm Transmission Service is determined to be not fully

available because of transmission constraints, then the Transmission Provider will assess the need for redispatch of generation.

The procedure to be implemented is as follows:

1. Determine the available transmission capacity for the requested Firm Transmission Service utilizing a load flow computer simulation of the transmission system recognizing all firm uses of the system.
2. Determine the owned generation resources of the Transmission Owners or others that will relieve the transmission constraint and the amount of transmission capacity available through redispatch.
3. The Transmission Provider shall inform the Eligible Customer if the Transmission Provider concludes that redispatch can sustain the requested Firm Transmission Service.
4. Any disputes as to compensation for service under this Tariff shall go to dispute resolution in accord with the provisions of this Tariff.

D. Redispatch Costs

If redispatch services are provided pursuant to this Attachment K, the Transmission Provider will in good faith attempt to relieve the constraint through operation of the Energy and Operating Reserve Markets described in Attachment AE. Costs associated with redispatch services shall be collected and paid in accordance with the Energy and Operating Reserve Markets settlement procedures described in Attachment AE.

II. Distribution Of Transmission Service Revenues Associated With The Zonal Annual Transmission Revenue Requirement

Transmission service revenues associated with the Zonal Annual Transmission Revenue Requirement shall be distributed in accordance with the following:

A. Grandfathered Agreements

Except by mutual agreement of the Parties to Grandfathered Agreements, the Transmission Provider shall have no claim to the revenues collected under such agreements, and shall not collect or allocate any revenues for transmission service related to such transactions. The Transmission Owner providing the transmission service under the Grandfathered Agreements, therefore, will continue to receive payment directly from the customer under the Grandfathered Agreement. Nothing herein is intended to supersede or otherwise affect rights that any party to a Grandfathered Agreement may have with respect to termination of the Grandfathered Agreement. In the event that a Grandfathered Agreement remains in effect between or among two or more Transmission Owners in a multi-owner Zone other than Zone 1, the associated charges and revenues will be treated as set forth in Section II.B.2(b) below for purposes of determining the appropriate distribution of revenues among the Transmission Owners in that Zone.

B. Revenue Distribution – Network Integration Transmission Service

1. Single-Owner Zones

Where there is only one Transmission Owner in a Zone, revenues associated with facilities with a Zonal Annual Transmission Revenue Requirement shall be distributed as follows:

(a) Except to the extent required under paragraph II.B.1(b) of this Attachment L, revenues collected by the Transmission Provider under Schedule 9 in connection with the provision of Network Integration Transmission Service shall be distributed to the Transmission Owner in the Zone where the Network Load is located.

(b) When a Network Customer has designated Network Load not physically interconnected with the Transmission System under Section 31.3 of the Tariff, revenues collected by the Transmission Provider for Network Integration Transmission Service for that portion of the Network Customer's Network Load shall be distributed among

Transmission Owners on the same basis as the revenues collected in connection with the provision of Point-To-Point Transmission Service.

2. Multi-Owner Zones

When more than one Transmission Owner within a single Zone has established its owner-specific zonal annual revenue requirement (“OZRR”), the Transmission Provider shall distribute revenues owed to the Transmission Owners in the Zone as described below.

(a) Except to the extent required under paragraph II.B.2(e) of this Attachment L, the Transmission Provider shall distribute revenues it collects under Schedule 9 to each Transmission Owner in the Zone where the load is located in proportion to its respective share of the Zonal Annual Transmission Revenue Requirements (“ZRR”) shown in Attachment H for that Zone, as adjusted in accordance with paragraph II.B.2(b) below. The resulting adjusted OZRRs of the Transmission Owners in the Zone as calculated in paragraph II.B.2(b) below will be combined to provide the basis for distribution of revenues from Schedule 9 charges.

(b) For any year in which a Transmission Owner is a seller of transmission service to another Transmission Owner within the same Zone under one or more Grandfathered Agreements, the selling Transmission Owner’s OZRR used to allocate revenue from Schedule 9 charges shall be reduced by the revenues associated with these Grandfathered Agreements in that year, but only to the extent that such costs have not already been credited against the selling Transmission Owner’s OZRR. For any year in which a Transmission Owner is a purchaser of transmission service from a Transmission Owner within the same Zone under one or more Grandfathered Agreements, the purchasing Transmission Owner’s OZRR shall be increased by the charges payable under these Grandfathered Agreements in that year, but only to the extent those charges are not already included in the purchasing Transmission Owner’s OZRR.

(c) For each Transmission Owner in the Zone that has elected not to take Network Integration Transmission Service for its Native Load Customers or that has elected not to make payments to the Transmission Provider for its OZRR in taking Network Integration Transmission Service for its Native Load Customers and/or that provides long term transmission service under Grandfathered Agreements (other than those addressed in paragraph II.B.2(b) above), the Transmission Provider shall compute hypothetical NITS payments equal to the cost

to serve its Native Load Customers and to serve long-term customers served under Grandfathered Agreements (other than those addressed in paragraph II.B.2(b) above) as if those customers were paying for service under Schedule 9.

(d) For each Transmission Owner, the Transmission Provider shall calculate an amount equal to the sum of hypothetical NITS payments determined in accordance with paragraph II.B.2(c) above, if any, plus distributed Schedule 9 charges in accordance with paragraph II.B.2(a) above, less its OZRR as adjusted pursuant to paragraph II.B.2(b) above. If the resulting amount is positive, the Transmission Owner shall pay the Transmission Provider this amount. If the resulting amount is negative, the Transmission Provider shall pay the Transmission Owner this amount.

(e) The treatment described in paragraphs II.B.2(b)-(d) above is premised on the assumption that the annual transmission revenue requirement of the Transmission Owner that is the seller under a Grandfathered Agreement has not been reduced by the amount of the charges associated with the Grandfathered Agreement. In such circumstances, the parties to the Grandfathered Agreement will attempt to reach agreement on a treatment of the Grandfathered Agreement that results in appropriate compensation to the Transmission Owners in the Zone while preventing the imposition of excessive costs on others. If the Transmission Owners in the Zone are unable to reach agreement, either Transmission Owner may invoke the dispute resolution procedures of the Tariff or seek a determination from FERC as to the appropriate treatment of the Grandfathered Agreement charges.

(f) When a Network Customer has designated Network Load outside the Transmission Provider's Transmission System under Section 31.3 of the Tariff, revenues collected by the Transmission Provider for Network Integration Transmission Service for that portion of the Network Customer's Network Load shall be distributed among Transmission Owners on the same basis as the revenues collected in connection with the provision of Point-To-Point Transmission Service.

(g) Sections II.B.2(a) through II.B.2(e) above do not apply to Zone 1. In the event a Transmission Owner within Zone 1 other than American Electric Power establishes its owner-specific zonal annual revenue requirement ("OZRR") as stated in Attachment H, that subsequent Transmission Owner will be entitled to receive revenue, collected by the Transmission Provider from other Transmission Customers within Zone 1 including any

Transmission Owner within Zone 1 taking service under Section 39, in an amount equal to one minus that Transmission Owner's Load Ratio Share of the Zone 1 total Network Load multiplied by that Transmission Owner's OZRR.

(h) Section II.B.2(f) above does not apply to revenues from a Network Customer having Network Load in Zone 19 which has designated Network Load outside the Transmission Provider's Transmission System under Section 31.3 of this Tariff designated prior to October 1, 2015. For such load, revenues collected by the Transmission Provider for Network Integration Transmission Service for such portion of the Network Customer's Network Load shall be distributed among Transmission Owners of Zone 19.

~~(hi)~~ Nothing herein is intended to supersede or otherwise affect rights that any Transmission Owner in a multi-owner Zone may have to seek designation of its facilities as a separate Zone under the Tariff.

3. Revenue Credits – Tariff Attachment Z2

Network Integration Transmission Service revenue collected by the Transmission Provider attributed to the use of Creditable Upgrades pursuant to the provisions of Attachment Z2 of this Tariff shall be paid to Upgrade Sponsors in accordance with Attachment Z2.

C. Revenue Distribution -- Point-To-Point Transmission Service

Irrespective of the number of Transmission Owners in a Zone, and except to the extent required under Section IV of this Attachment L, revenues collected by the Transmission Provider under Schedules 7 and 8 and revenues allocated pursuant to paragraphs II.B.1(b) and II.B.2(f). shall be distributed as follows:

(a) If a Point-To-Point Transmission Service reservation could not be granted but for the use of one or more Creditable Upgrades, pursuant to the provisions of Attachment Z2, the revenue from that reservation will first be distributed to the Upgrade Sponsors of such Creditable Upgrades in accordance with the provisions of Attachment Z2. Any remaining revenue shall be distributed in accordance with all other provisions of this Section C.

(b) If the generation source(s) and load(s) are located within a single Zone, 50% of the revenues shall be distributed to the Transmission Owner(s) in that Zone in proportion to their respective shares of the ZRR, and 50% of the revenues shall be distributed to the Transmission Owner(s) in that Zone in proportion to the MW-mile impacts incurred by each such Transmission Owner.

(c) In all instances other than that described in the preceding paragraph : 50% of the revenues shall be distributed to the Transmission Owners in proportion to their respective shares of the sum of the Zonal Annual Transmission Revenue Requirements for all Zones; and 50% of the revenues shall be distributed to the Transmission Owners whose facilities incur MW-mile impacts due to the transaction, in proportion to the MW-mile impacts incurred by each such Transmission Owner. A Transmission Owner's OZRR used for this purpose shall be that stated in Attachment H. The MW-mile impacts shall be determined by use of the procedures in Attachment S.

ATTACHMENT M LOSS COMPENSATION PROCEDURE

I. PURPOSE

This loss compensation procedure will be used to quantify *real power losses for which the Transmission Customer or Network Customer is responsible when taking service* under this Tariff. *The Transmission Provider shall maintain a schedule showing the real power loss factors for the provision of transmission service across each Zone on the Transmission System. The injection loss factor (“ILF”) and delivery loss factor (“DLF”) for each Zone are stated in Appendix 1 to this Attachment M.*

II. TRANSMISSION LOSS DETERMINATION - NETWORK INTEGRATION TRANSMISSION SERVICE

(a) The Network Customer *shall be* responsible for *real power losses* associated with Network Integration Transmission Service to its Network Load *for each Zone in which its Network Load is located for the purposes of determining charges under Schedule 9 and Schedule 11 to this Tariff. The Network Customer’s loss responsibility is the product of the Zone DLF, shown in Column D of Appendix 1 to this Attachment M and the hourly metered Network Load for the hour that is coincident with the applicable Zone monthly peak load hour and such loss responsibility shall be included when calculating that Network Customer’s Load Ratio Share, Base Plan Zonal Load Ratio Share and Region-wide Load Ratio Share.*

(b) Loss energy associated with hourly energy settlement under the Integrated Marketplace shall be accounted for under the settlement procedures for the Energy and Operating Reserve Markets specified in Attachment AE. Loss energy associated with the transmission of Federal Power-Western-UGP to the Statutory Load Obligations served by Western-UGP shall be the product of the amount of Federal Power-Western-UGP delivered to the Statutory Load Obligations and the Zone 19 DLF, shown in Column D of Appendix 1 to this Attachment M in accordance with Section 39.3(e)(ii) of this Tariff.

III. TRANSMISSION LOSS DETERMINATION - POINT-TO-POINT TRANSMISSION SERVICE

The Transmission Customer shall be responsible for real power losses associated with Transmission Service under Schedule 7 and Schedule 8 to this Tariff. For purposes of

calculating a Transmission Customer's loss responsibility, such Transmission Customer's Transmission Service reservation capacity shall not be adjusted by the demand zonal loss factors stated in Appendix 1 to this Attachment M. Real power losses associated with settlement of Transmission Service schedules in the Integrated Marketplace shall be accounted for under the settlement procedures for the Energy and Operating Reserve Markets specified in Attachment AE.

IV. OTHER LOSSES

Additional compensation will be required for real power losses when the meter used to measure the energy taken at a delivery point is located on facilities not on the Transmission System. The Transmission Customer shall be responsible for any real power losses incurred on facilities not on the Transmission System.

APPENDIX 1 TO ATTACHMENT M
DEMAND ZONAL LOSS FACTORS

(A) ZONE	(B) NAME	(C) INJECTION LOSS FACTOR ("ILF")	(D) DELIVERY LOSS FACTOR ("DLF")
1	American Electric Power	2.90%	2.9866%
2	Reserved for Future Use		
3	City Utilities of Springfield	2.00%	2.0408%
4	Empire District Electric Company	2.71%	2.7855%
5	Grand River Dam Authority	3.3816%	3.5%
6	Kansas City Power & Light Company	1.8646%	1.90%
7	Oklahoma Gas and Electric Company	3.00%	3.0928%
8	Midwest Energy, Inc.	4.26%	4.4496%
9	KCP&L Greater Missouri Operations Company	1.92%	1.9576%
10	Southwestern Power Administration	4.00%	4.1667%
11	Southwestern Public Service	3.2292%	3.3370%
12	Sunflower Electric Power Corporation	4.9701%	5.23%
13	Western Farmers Electric Cooperative	3.00%	3.0928%
14	Westar Energy, Inc. (Kansas Gas and Electric and Westar Energy)	2.9786%	3.07%
15	Mid-Kansas Electric Company	5.9443%	6.32%
16	Lincoln Electric System	1.07%	1.0816%
17	Nebraska Public Power District	2.4%	2.4590%
18	Omaha Public Power District	1.1858%	1.20%
<u>19</u>	<u>Upper Missouri Zone</u>	<u>3.8462%</u>	<u>4.00%</u>

Upper Missouri Zone

Rate Sheet for Point-To-Point Transmission Service

The currently effective rates for Point-To-Point Transmission Service in the Upper Missouri (“UMZ”) rate zone are set forth in the “UMZ PTP Rate Att T” tab of the Revenue Requirements and Rates File (“RRR File”) posted on the SPP website. Transmission Owners that have Commission approved rate(s) in the UMZ rate zone are: Basin Electric Power Cooperative (“Basin Electric”); Heartland Consumers Power District (“Heartland”); and Western Area Power Administration, Upper Great Plains Region (“Western-UGP”).

Balanced Portfolio Reallocation Adjustment of Point-To-Point Rates

Rates for Point-To-Point Transmission Service specified in this Attachment T shall be adjusted to reflect any amount reallocated from the Zonal Annual Transmission Revenue Requirement in accordance with Section IV.A of Attachment J. The rates, including any applicable reallocation adjustment, shall be set forth in the RRR File posted on the SPP website.

Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges based upon the rates set forth in the RRR File, calculated pursuant to the formula rates of Basin Electric, Heartland, and Western-UGP, including any ATRR associated with facility credits provided in the UMZ rate zone, set forth in Attachment H, Addendums (list appropriate addendums, respectively) of the Tariff, and as described below:

1. Yearly delivery: the UMZ Monthly delivery rates multiplied by 12 months.
2. Monthly delivery: the sum of the Basin Electric, Heartland, and Western-UGP Annual Transmission Revenue Requirements determined under these entities’ formula rates, including any ATRR associated with facility credits provided in the UMZ rate zone, divided by the UMZ total load estimate and divided by 12 months (to three significant digits).
3. Weekly delivery: the UMZ Yearly delivery rates divided by 52.

4. Daily delivery: the UMZ Weekly delivery rates divided by 7.

Non-Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges based upon the rates set forth in the RRR File, calculated pursuant to the formula rates of Basin Electric, Heartland, and Western-UGP, including any ATRR associated with facility credits provided in the UMZ rate zone, and as described below:

1. Monthly delivery: the sum of the Basin Electric, Heartland, and Western-UGP Annual Transmission Revenue Requirements determined under these entities' formula rates, including any ATRR associated with facility credits provided in the UMZ rate zone, divided by the UMZ total load estimate and divided by 12 months (to three significant digits).
2. Weekly delivery: the UMZ Monthly delivery rates multiplied by 12 and divided by 52.
3. Daily delivery: the UMZ Weekly delivery rates divided by 7.
4. Hourly delivery: the UMZ Monthly delivery rates divided by 730 hours per month.

Section 1. Definitions

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 system other than the Transmission System that may be affected by the proposed interconnection.

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.

Applicable Reliability Council shall mean the reliability council applicable to the Transmission System to which the Generating Facility is directly interconnected.

Applicable Reliability Standards shall mean the requirements and guidelines of NERC, the Applicable Reliability Council, and the Control Area of the Transmission System to which the Generating Facility is directly interconnected.

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

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

Breaching Party shall mean a Party that is in Breach of the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

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

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

Clustering shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting the Interconnection Studies.

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 the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

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

Control Area shall mean an electrical system or systems bounded by interconnection metering and telemetry, capable of controlling generation to maintain its interchange schedule with other Control Areas and contributing to frequency regulation of the interconnection. A Control Area must be certified by an Applicable Reliability Council.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

Definitive 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 a Preliminary Interconnection System Impact Study or that may be caused by the withdrawal or addition of an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Definitive Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3A of the Generator Interconnection Procedures for conducting the Definitive Interconnection System Impact Study.

Definitive Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Definitive Interconnection System Impact Study.

Dispute Resolution shall mean the procedure in Section 12 of the Tariff for resolution of a dispute between 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 that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.

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 transmission 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 the Generator Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, 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, or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of 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 Transmission Owner's Interconnection Facilities; or (4) 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 black start shall be considered Emergency Conditions; provided that Interconnection Customer is not obligated by the Generator Interconnection Agreement to possess black start capability.

Energy Resource Interconnection Service shall mean an Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself 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.

Environmental Review shall mean a study conducted by Western-UGP, as the Transmission Owner, that contains a review of the proposed interconnection to Western-UGP's transmission facilities, pursuant to the National Environmental Policy Act ("NEPA"), 42 U.S.C. §4321, et seq., as amended, and setting forth Interconnection Customer's responsibilities in connection with such review of the interconnection.

Fast Track Process – *The procedure for evaluating an Interconnection Request for a certified Small Generating Facility that meets the eligibility requirements of section 14.1 and includes the section 14 screens, customer options meeting, and optional supplemental review.*

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 (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 acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Interconnection Customer's device 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 applicable to an Interconnection Request pertaining to a Generating Facility that is included in Appendix 6 to these Generator Interconnection Procedures or in Appendix 13 when Western-UGP is a Party, as the Transmission Owner, to the GIA.

Generator Interconnection Procedures (GIP) shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Generating Facility that are included in the Transmission Provider's Tariff.

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.

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.

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

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 back feed power.

Interconnection Customer shall mean any entity, including the 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 the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, 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. 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 are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

Interconnection Facilities Study shall mean a study conducted by the Transmission Provider or a third party consultant for the Interconnection Customer to determine a list of facilities (including Transmission Owner's Interconnection Facilities and Network Upgrades as identified in the Definitive Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission System. The scope of the study is defined in Section 8 of the Generator Interconnection Procedures.

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 Facilities Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Facilities Study.

Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Generating Facility to the Transmission System, the scope of which is described in Section 6 of the Generator Interconnection Procedures.

Interconnection Feasibility Study Agreement shall mean the form of agreement contained in Appendix 2 of the Generator Interconnection Procedures for conducting the Interconnection Feasibility Study.

Interconnection Feasibility Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Feasibility Study.

Interconnection Queue Position shall mean the order of a valid Interconnection Request within the Interconnection Facilities Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Facilities Study Queue, which is established based upon the requirements in Section 4.1.3.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Generator Interconnection Procedures, in accordance with the Tariff, 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 Interconnection Customer's 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 the Generator Interconnection Agreement and, if applicable, the Tariff.

Interconnection Study shall mean any of the following studies: the Interconnection Feasibility Study, the Preliminary Interconnection System Impact Study, the Definitive Interconnection System Impact Study, the Interim Availability Interconnection System Impact Study, and the Interconnection Facilities Study described in the Generator Interconnection Procedures.

Interconnection Study Agreement shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Preliminary Interconnection System Impact Study Agreement, the Definitive Interconnection System Impact Study Agreement, the Interim Availability Interconnection System Impact Study Agreement, and the Interconnection Facilities Study Agreement described in the Generator Interconnection Procedures.

Interim Availability Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of the Transmission System and, if applicable, an Affected System for the purpose of providing Interim Interconnection Service. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications on an interim basis.

Interim Availability Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 5 of the Generator Interconnection Procedures for conducting the Interim Availability Interconnection System Impact Study.

Interim Generator Interconnection Agreement (Interim GIA) shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Generating Facility to allow interconnection to the Transmission System prior to the completion of the Interconnection Study process.

Interim Interconnection Service shall mean the service provided by the Transmission Provider associated with interconnecting the Interconnection Customer's Generating Facility to the Transmission Provider's 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 the Interim Generator Interconnection Agreement and, if applicable, the Tariff.

IRS shall mean the Internal Revenue Service.

Joint Operating Committee shall be a group made up of representatives from Interconnection Customer, Transmission Owner and the Transmission Provider to coordinate operating and technical considerations of Interconnection Service.

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

Loss shall mean any and all losses 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 another Party's performance, or non-performance of its obligations under the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying 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 the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, 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 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 shall mean an Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with the Transmission System in a manner comparable to that in which the Transmission Owner integrates its generating facilities to serve Native Load Customers as a Network Resource. Network Resource Interconnection Service in and of itself 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 to accommodate the interconnection of the Generating Facility to the Transmission System.

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, or its performance.

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 or Interim Generator Interconnection Agreement, as applicable, 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 to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, where the Interconnection Facilities connect to the Transmission System.

Preliminary 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 an Interconnection Feasibility Study or that may be caused by an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Preliminary Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3 of the Generator Interconnection Procedures for conducting the Preliminary Interconnection System Impact Study.

Preliminary Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Preliminary Interconnection System Impact Study.

Previous Network Upgrade shall mean a Network Upgrade that is needed for the interconnection of one or more Interconnection Customers' Generating Facilities, where the Interconnection Customer is not responsible for the cost and which is identified in Appendix A of the Generator Interconnection Agreement.

Queue shall mean the Interconnection Feasibility Study Queue, the Preliminary Interconnection System Impact Study Queue, the Definitive Interconnection System Impact Study Queue, or the Interconnection Facilities Study Queue, as applicable.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer, Transmission Owner 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 listed in Appendix A of the Generator Interconnection Agreement that is needed for the interconnection of multiple Interconnection Customers' Generating Facilities where such Interconnection Customers share the cost.

Site Control shall mean documentation reasonably demonstrating: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size 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 of sufficient size for such purpose

Small Generating Facility shall mean *the Interconnection Customer's device for the production and/or storage for later injection of electricity identified in the Interconnection Request that meets the requirements of Section 14, but shall not include the Interconnection Customer's Interconnection Facilities.*

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 the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the Transmission System 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 FERC, and as amended or supplemented from time to time, or any successor tariff.

Transmission Owner shall mean an entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of Interconnection and may be a Party to the Generator Interconnection Agreement to the extent necessary.

Transmission Provider shall mean the public utility (or its Designated Agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the Tariff. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from the Transmission Provider.

Transmission Owner's Interconnection Facilities shall mean all facilities and equipment owned, controlled, or operated by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, 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, Stand Alone Network Upgrades or Network Upgrades.

Transmission System shall mean the facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide transmission 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.

Western Area Power Administration-Upper Great Plains Region ("Western-UGP") shall mean a division of the Western Area Power Administration, a Federal Power Marketing Agency, and Transmission Owner, that markets and transmits Federal power over Federal transmission facilities that have been transferred to the functional control of the Transmission Provider.

Section 2. Scope and Application

2.1 Application of Generator Interconnection Procedures.

These Generator Interconnection Procedures apply, as specified in this Section 2, to the processing of Interconnection Requests for interconnections to the Transmission System that are subject to FERC jurisdiction.

2.1.1 Sections 2 through 13 apply to processing an Interconnection Request pertaining to a Generating Facility except for Small Generating Facilities that meet the requirements of Section 14 of the GIP or Appendix 11. *If the Interconnection Customer wishes to interconnect its Small Generating Facility using Network Resource Interconnection Service, it must do so under Sections 3 through 13.*

2.1.2 Section 14 of the GIP applies to a request to interconnect a certified Small Generating Facility meeting the certification criteria in Appendix 9 and Appendix 10.

2.1.3 A request to interconnect a certified inverter-based Small Generating Facility no larger than 10 kW shall be evaluated under Appendix 11; except that Section 14 of this GIP shall instead apply to such request to interconnect a certified inverter-based Small Generating Facility no larger than 10kW if the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP, as the Transmission Owner, and such interconnection is subject to completion of the appropriate NEPA level of Environmental Review and issuance of the required NEPA decisional document.

2.2 *Pre-Application Process for Interconnection Requests Equal to or Less than 20 MW*

2.2.1 *The Transmission Provider shall designate an employee or office from which information on the application process and on an Affected System can be obtained through informal requests from the Interconnection Customer presenting a proposed project for a specific site. The name, telephone number, and e-mail address of such contact employee or office shall be made available on the Transmission Provider's Internet web site. Electric system information provided to the Interconnection Customer should include relevant system studies, interconnection studies, and other materials useful to an understanding of an interconnection at a particular point on the Transmission Provider's Transmission System, to the extent such provision does not violate confidentiality provisions of prior agreements or critical infrastructure requirements. The Transmission Provider shall comply with reasonable requests for such information.*

2.2.2 *In addition to the information described in section 2.2.1, which may be provided in response to an informal request, an Interconnection Customer may submit a formal written request form along with a non-refundable fee*

of \$300 for a pre-application report on a proposed project at a specific site. The Transmission Provider shall provide the pre-application data described in section 2.2.3 to the Interconnection Customer within 20 Business Days of receipt of the completed request form and payment of the \$300 fee. The pre-application report produced by the Transmission Provider is non-binding, does not confer any rights, and the Interconnection Customer must still successfully apply to interconnect to the Transmission Provider's system. The written pre-application report request form shall include the information in sections 2.2.2.1 through 2.2.2.8 below to clearly and sufficiently identify the location of the proposed Point of Interconnection.

- 2.2.2.1 Project contact information, including name, address, phone number, and email address.*
- 2.2.2.2 Project location (street address with nearby cross streets and town).*
- 2.2.2.3 Meter number, pole number, or other equivalent information identifying proposed Point of Interconnection, if available.*
- 2.2.2.4 Generator Type (e.g., solar, wind, combined heat and power, etc.).*
- 2.2.2.5 Size (alternating current kW).*
- 2.2.2.6 Single or three phase generator configuration.*
- 2.2.2.7 Stand-alone generator (no onsite load, not including station service – Yes or No?).*
- 2.2.2.8 Is new service requested? Yes or No? If there is existing service, include the customer account number, site minimum and maximum current or proposed electric loads in kW (if available) and specify if the load is expected to change.*

2.2.3. Using the information provided in the pre-application report request form in section 2.2.2, the Transmission Provider will identify the substation/area bus, bank or circuit likely to serve the proposed Point of Interconnection. This selection by the Transmission Provider does not necessarily indicate, after application of the screens and/or study, that this would be the circuit the project ultimately connects to. The Interconnection Customer must request additional pre-application reports if information about multiple Points of Interconnection is requested. Subject to section 2.2.4, the pre-application report will include the following information:

- 2.2.3.1 *Total capacity (in MW) of substation/area bus, bank or circuit based on normal or operating ratings likely to serve the proposed Point of Interconnection.*
- 2.2.3.2 *Existing aggregate generation capacity (in MW) interconnected to a substation/area bus, bank or circuit (i.e., amount of generation online) likely to serve the proposed Point of Interconnection.*
- 2.2.3.3 *Aggregate queued generation capacity (in MW) for a substation/area bus, bank or circuit (i.e., amount of generation in the queue) likely to serve the proposed Point of Interconnection.*
- 2.2.3.4 *Available capacity (in MW) of substation/area bus or bank and circuit likely to serve the proposed Point of Interconnection (i.e., total capacity less the sum of existing aggregate generation capacity and aggregate queued generation capacity).*
- 2.2.3.5 *Substation nominal distribution voltage and/or transmission nominal voltage if applicable.*
- 2.2.3.6 *Nominal distribution circuit voltage at the proposed Point of Interconnection.*
- 2.2.3.7 *Approximate circuit distance between the proposed Point of Interconnection and the substation.*
- 2.2.3.8 *Relevant line section(s) actual or estimated peak load and minimum load data, including daytime minimum load as described in section 14.4.4.1.1 below and absolute minimum load, when available.*
- 2.2.3.9 *Number and rating of protective devices and number and type (standard, bi-directional) of voltage regulating devices between the proposed Point of Interconnection and the substation/area. Identify whether the substation has a load tap changer.*
- 2.2.3.10 *Number of phases available at the proposed Point of Interconnection. If a single phase, distance from the three-phase circuit.*
- 2.2.3.11 *Limiting conductor ratings from the proposed Point of Interconnection to the distribution substation.*
- 2.2.3.12 *Whether the Point of Interconnection is located on a spot network, grid network, or radial supply.*
- 2.2.3.13 *Based on the proposed Point of Interconnection, existing or known constraints such as, but not limited to, electrical dependencies at that location, short circuit interrupting*

capacity issues, power quality or stability issues on the circuit, capacity constraints, or secondary networks.

2.2.4 *The pre-application report need only include existing data. A pre-application report request does not obligate the Transmission Provider to conduct a study or other analysis of the proposed generator in the event that data is not readily available. If the Transmission Provider cannot complete all or some of a pre-application report due to lack of available data, the Transmission Provider shall provide the Interconnection Customer with a pre-application report that includes the data that is available. The provision of information on “available capacity” pursuant to section 2.2.3.4 does not imply that an interconnection up to this level may be completed without impacts since there are many variables studied as part of the interconnection review process, and data provided in the pre-application report may become outdated at the time of the submission of the complete Interconnection Request. Notwithstanding any of the provisions of this section, the Transmission Provider shall, in good faith, include data in the pre-application report that represents the best available information at the time of reporting.*

2.3 Comparability.

Transmission Provider shall receive, process and analyze all Interconnection Requests in a timely manner as set forth in this GIP. Transmission Provider will use the same Reasonable Efforts in processing and analyzing Interconnection Requests from all Interconnection Customers, whether the Generating Facilities are owned by Transmission Provider, its subsidiaries or Affiliates or others.

2.4 Base Case Data.

Transmission Provider shall provide current base power flow, short circuit and stability databases, including all underlying assumptions, and contingency list upon request subject to confidentiality provisions in GIP Section 13.1, that the Transmission Provider is using to perform Definitive Interconnection System Impact Studies. Transmission Provider is permitted to require that Interconnection Customer sign a confidentiality agreement before the release of commercially sensitive information or Critical Energy Infrastructure Information in the Base Case data. Such databases and lists, hereinafter referred to as Base Cases, shall include all (i) generation projects and (ii) transmission projects, including merchant transmission projects that are proposed for the Transmission System for which a transmission expansion plan has been submitted and approved by the applicable authority.

2.5 No Applicability to Transmission Service.

Nothing in this GIP shall constitute a request for transmission service or confer upon an Interconnection Customer any right to receive transmission service.

2.6 Participation by the United States Subject to Federal Laws and Regulations

In the event that Western-UGP is the Transmission Owner under any of the provisions or agreements in this GIP, then in such case Section 39.3 of this Tariff is incorporated as if it were a part hereof.

Section 3. Interconnection Requests

3.1 General.

An Interconnection Customer shall submit to Transmission Provider an Interconnection Request in the form of Appendix 1 to this GIP and the deposit along with the other items in Section 3.3.1 of these Generator Interconnection Procedures. Transmission Provider shall apply the deposit toward the cost of the applicable Interconnection Study. Interconnection Customer shall submit a separate Interconnection Request for each site and may submit multiple Interconnection Requests for a single site. Interconnection Customer must submit a deposit with each Interconnection Request even when more than one request is submitted for a single site. An Interconnection Request to evaluate one site at two different voltage levels shall be treated as two Interconnection Requests.

At Interconnection Customer's option, Transmission Provider and Interconnection Customer will identify alternative Point(s) of Interconnection and configurations at the Scoping Meeting to evaluate in this process and attempt to eliminate alternatives in a reasonable fashion given resources and information available. Interconnection Customer will select the definitive Point(s) of Interconnection to be studied no later than the execution of the Interconnection Feasibility Study Agreement.

3.2 Identification of Types of Interconnection Services.

At the time the Interconnection Request is submitted, Interconnection Customer must request either Energy Resource Interconnection Service or Network Resource Interconnection Service, as described; provided, however, any Interconnection Customer requesting Network Resource Interconnection Service may also request that it be concurrently studied for Energy Resource Interconnection Service, up to the point when an Interconnection Facility Study Agreement is executed. Interconnection Customer may then elect to proceed with Network Resource Interconnection Service or to proceed under a lower level of interconnection service to the extent that only certain upgrades will be completed.

3.2.1 Energy Resource Interconnection Service.

3.2.1.1 The Product. Energy Resource Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Transmission System 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. Energy Resource Interconnection Service does not in and of itself convey any right to deliver electricity to any specific customer or Point of Delivery.

3.2.1.2 The Study. The study consists of short circuit/fault duty, steady state (thermal and voltage) and stability analyses. The short circuit/fault duty analysis would identify direct Interconnection Facilities required and the Network Upgrades necessary to address

short circuit issues associated with the Interconnection Facilities. The stability and steady state studies would identify necessary upgrades to allow full output of the proposed Generating Facility and would also identify the maximum allowed output, at the time the study is performed, of the interconnecting Generating Facility without requiring additional Network Upgrades.

3.2.2 Network Resource Interconnection Service.

3.2.2.1 The Product. Transmission Provider must conduct the necessary studies and the Transmission Owner construct the Network Upgrades needed to integrate the Generating Facility in a manner comparable to that in which Transmission Owner integrates its generating facilities to serve Native Load Customers as Network Resources. Network Resource Interconnection Service allows Interconnection Customer's Generating Facility to be designated as a Network Resource, up to the Generating Facility's full output, on the same basis as existing Network Resources interconnected to Transmission Provider's Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur.

3.2.2.2 The Study. The Interconnection Study for Network Resource Interconnection Service shall assure that Interconnection Customer's Generating Facility meets the requirements for Network Resource Interconnection Service and as a general matter, that such Generating Facility's interconnection is also studied with Transmission System at peak load, under a variety of severely stressed conditions, to determine whether, with the Generating Facility at full output, the aggregate of generation in the local area can be delivered to the aggregate of load on Transmission System, consistent with Applicable Reliability Standards. This approach assumes that some portion of existing Network Resources are displaced by the output of Interconnection Customer's Generating Facility. Network Resource Interconnection Service in and of itself does not convey any right to deliver electricity to any specific customer or Point of Delivery. The Transmission Provider may also study the Transmission System under non-peak load conditions. However, upon request by the Interconnection Customer, the Transmission Provider must explain in writing to the Interconnection Customer why the study of non-peak load conditions is required for reliability purposes.

3.3 Valid Interconnection Request.

3.3.1 Initiating an Interconnection Request.

To initiate an Interconnection Request, Interconnection Customer must submit all of the following: (i) a \$10,000 deposit, (ii) a completed application in the form of Appendix 1, and (iii) demonstration of Site Control; provided, however, demonstration of Site Control is not required for inclusion of an Interconnection Request in the Interconnection Feasibility Study Queue. Specifications for acceptable site size for the purpose of demonstrating Site Control are posted on the Transmission Provider's website, available at: <http://sppoasis.spp.org/documents/swpp/transmission/studies/Interconnection%20Request%20Guidelines%20for%20Posting.pdf>; Interconnection Customer may propose an alternative site size for Transmission Provider approval. Transmission Provider shall approve a demonstration of Site Control with an alternative site size when the Interconnection Customer submits to Transmission Provider a final layout drawing of the Generating Facility that includes at a minimum: (i) the spacing and number of turbines; (ii) the cable requirements to interconnect the individual turbines to the collector substation and the cable requirements from the collector substation to the interconnection substation; (iii) the resistance and impedance measurements of the interconnecting cable and (iv) acknowledgment by Interconnection Customer that the layout drawing is intended to be final and not subsequently substantially changed. Interconnection Customer may modify the layout drawing of a project until it submits an Interconnection Request into the Definitive Interconnection System Impact Study Queue ("DISIS Queue"). Once an Interconnection Request has been submitted in the DISIS Queue, and Transmission Provider has approved the final layout drawing and demonstration of Site Control, any subsequent change to the design of the Generating Facility as depicted in the layout drawing will be subject to Section 4.4 and will be evaluated to determine whether the change constitutes a Material Modification under Section 4.4. Deposits provided pursuant to this section shall be applied toward any Interconnection Studies pursuant to the Interconnection Request.

The expected In-Service Date of the new Generating Facility or increase in capacity of the existing Generating Facility shall be no more than the process window for the regional expansion planning period not to exceed seven years from the date the Interconnection Request is received by Transmission Provider, unless Interconnection Customer demonstrates that engineering, permitting and construction of the new Generating Facility or increase in capacity of the existing Generating Facility will take longer than the regional expansion planning period. The In-Service Date may succeed the date the Interconnection Request is received by Transmission Provider by a period up to ten years, or longer where Interconnection Customer and Transmission Provider agree, such agreement not to be unreasonably withheld.

3.3.2 Acknowledgment of Interconnection Request.

Transmission Provider shall acknowledge receipt of the Interconnection Request within five (5) Business Days of receipt of the request and attach a copy of the received Interconnection Request to the acknowledgement.

3.3.3 Deficiencies in Interconnection Request.

An Interconnection Request will not be considered to be a valid request until all items in Section 3.3.1 have been received by Transmission Provider; provided however, that demonstration of Site Control is not required for inclusion of an Interconnection Request in the Interconnection Feasibility Study Queue. If an Interconnection Request fails to meet the requirements set forth in Section 3.3.1, Transmission Provider shall notify Interconnection Customer within five (5) Business Days of receipt of the initial Interconnection Request of the reasons for such failure and that the Interconnection Request does not constitute a valid request. In the event that Transmission Provider discovers or verifies a deficiency later in the GIP process, Transmission Provider will notify Interconnection Customer as soon as practicable. Interconnection Customer shall provide Transmission Provider the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice. Failure by Interconnection Customer to comply with this Section 3.3.3 shall be treated in accordance with Section 3.6.

3.3.4 Scoping Meeting.

Within ten (10) Business Days after receipt of a valid Interconnection Request, Transmission Provider shall establish a date agreeable to the Transmission Owner and the Interconnection Customer for the Scoping Meeting, and such date shall be no later than thirty (30) Calendar Days from receipt of the valid Interconnection Request, unless otherwise mutually agreed upon by the Parties.

The purpose of the Scoping Meeting shall be to discuss alternative interconnection options, to exchange information including any transmission data that would reasonably be expected to impact such interconnection options, to analyze such information and to determine the potential feasible Points of Interconnection. Transmission Provider, Transmission Owner and Interconnection Customer shall provide such technical data, including, but not limited to: (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting. Transmission Provider, Transmission Owner and Interconnection Customer will also make available personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On the basis of the meeting, Interconnection Customer shall designate its Point of Interconnection, pursuant to Section 6.1, and one or

more available alternative Point(s) of Interconnection. The duration of the meeting shall be sufficient to accomplish its purpose.

3.3.5 Environmental Review.

In the event the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP, the Interconnection Request shall be subject to an Environmental Review as described in Section 8.6.1 of this GIP. The Interconnection Customer may request that the Environment Review begin any time after the Interconnection Request is accepted.

3.4 OASIS Posting.

Transmission Provider will maintain on its OASIS a list of all Interconnection Requests. The list will identify, for each Interconnection Request: (i) the maximum summer and winter megawatt electrical output; (ii) the location by county and state; (iii) the station or transmission line or lines where the interconnection will be made; (iv) the projected In-Service Date; (v) the status of the Interconnection Request, including Initial Queue Position, and Interconnection Queue Position, as applicable; (vi) the type of Interconnection Service being requested; and (vii) the availability of any studies related to the Interconnection Request; (viii) the date of the Interconnection Request; (ix) the type of Generating Facility to be constructed (combined cycle, base load or combustion turbine and fuel type); and (x) for Interconnection Requests that have not resulted in a completed interconnection, an explanation as to why it was not completed. The list will not disclose the identity of Interconnection Customer until Interconnection Customer executes a GIA or requests that Transmission Provider file an unexecuted GIA with FERC. Transmission Provider shall post to its OASIS site any deviations from the study timelines set forth herein. Interconnection Study reports and Re-Study reports shall be posted to Transmission Provider's OASIS site subsequent to the meeting between Interconnection Customer and Transmission Provider to discuss the applicable study results. Transmission Provider shall also post any known deviations in the Generating Facility's In-Service Date.

3.5 Coordination with Affected Systems.

Transmission Provider will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators and, if possible, include those results (if available) in its applicable Interconnection Study within the time frame specified in this GIP. Transmission Provider will include such Affected System Operators in all meetings held with Interconnection Customer as required by this GIP. Interconnection Customer will cooperate with Transmission Provider in all matters related to the conduct of studies and the determination of modifications to Affected Systems. A Transmission Provider which may be an Affected System shall cooperate with Transmission Provider with whom interconnection has been

requested in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

3.6 Withdrawal.

Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to Transmission Provider. In addition, if Interconnection Customer fails to adhere to all requirements of this GIP, except as provided in Section 13.5 (Disputes), Transmission Provider shall deem the Interconnection Request to be withdrawn and shall provide written notice to Interconnection Customer of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, Interconnection Customer shall have fifteen (15) Business Days in which to either respond with information or actions that cures the deficiency or to notify Transmission Provider of its intent to pursue Dispute Resolution.

Withdrawal shall result in the loss of Interconnection Customer's Initial Queue Position or Interconnection Queue Position, as applicable, and the forfeiture of milestone deposits provided in Sections 8.2 and 8.9, as applicable. If an Interconnection Customer disputes the withdrawal and loss of its Initial Queue Position or Interconnection Queue Position, then during Dispute Resolution, Interconnection Customer's Interconnection Request is eliminated from the applicable Queue until such time that the outcome of Dispute Resolution would restore its Initial Queue Position or Interconnection Queue Position. An Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request shall pay to Transmission Provider all costs that Transmission Provider prudently incurs with respect to that Interconnection Request prior to Transmission Provider's receipt of notice described above. Interconnection Customer must pay all monies due to Transmission Provider before it is allowed to obtain any Interconnection Study data or results.

Transmission Provider shall (i) update the OASIS list of Interconnection Requests and (ii) refund to Interconnection Customer any portion of Interconnection Customer's deposit or study payments that exceeds the costs that Transmission Provider has incurred, including interest calculated in accordance with Section 35.19a(a)(2) of FERC's regulations. In the event of such withdrawal, Transmission Provider, subject to the confidentiality provisions of Section 13.1, shall provide, at Interconnection Customer's request, all information that Transmission Provider developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

Section 5. Procedures for Interconnection Requests Submitted Prior to Effective Date of Generator Interconnection Procedures

5.1 Transition Procedures.

5.1.1 Any Interconnection Request that does not have an executed GIA or requested a GIA be filed unexecuted with FERC as of March 1, 2014 (“Revision Date”) shall be subject to this GIP. Any Interconnection Customer that fails to meet these requirements shall have its Interconnection Request deemed withdrawn pursuant to Section 3.6.

5.1.1.1 Any Interconnection Request in the Feasibility Study Queue and the PISIS Queue will transition to the revised GIP upon the completion of the Feasibility Study or the PISIS that the Interconnection Request is being studied in at the time of the Revision Date.

5.1.1.2 Any Interconnection Request in the DISIS Queue for which an Interconnection Facilities Study Agreement has not yet been executed as of *June 13, 2014, the date of the Commission’s Order in Docket No. ER14-781 (“FERC Order Date”)*, shall *transition to the Revised GIP by meeting the requirements in Section 8.2 by the date in Section 5.1.3.*

5.1.1.3 Any Interconnection Request in the DISIS Queue for which an Interconnection Facilities Study Agreement has been executed as of the *FERC Order Date*, *shall transition to the revised GIP by meeting the requirements of Sections 8.2 and 8.9 by the date in Section 5.1.3* and will be assigned an Interconnection Queue Position for cost assignment purposes based upon its current DISIS Queue Cluster Window.

5.1.2 Any Interconnection Request for which a GIA has been executed or has been filed unexecuted with FERC as of the Revision Date shall not be subject to this GIP unless the Interconnection Customer is *currently* not meeting the milestones listed in Appendix B of its GIA *or subsequently does not meet the milestones listed in Appendix B of its GIA*. An Interconnection Customer not meeting its milestones shall be required to conform to Sections 8.2 and 8.9 of this GIP. If an Interconnection Customer is not meeting the milestones in Appendix B of its GIA, the Transmission Provider shall revise the GIA to conform to this GIP and shall file such revised GIA at FERC.

5.1.3 Transition Period.

An Interconnection Customer with an Interconnection Request that has not executed a GIA as of the Revision Date shall transition to the revised GIP within sixty (60) Calendar Days of *the FERC Order Date*.

5.2 New Transmission Provider.

If Transmission Provider transfers control of its Transmission System to a successor Transmission Provider during the period when an Interconnection Request is pending, the original Transmission Provider shall transfer to the successor Transmission Provider any amount of the deposit or payment with interest thereon that exceeds the cost that it incurred to evaluate the request for interconnection. Any difference between such net amount and the deposit or payment required by this GIP shall be paid by or refunded to the Interconnection Customer, as appropriate. The original Transmission Provider shall coordinate with the successor Transmission Provider to complete any Interconnection Study, as appropriate, that the original Transmission Provider has begun but has not completed. If Transmission Provider has tendered a draft GIA to Interconnection Customer but Interconnection Customer has not either executed the GIA or requested the filing of an unexecuted GIA with FERC, unless otherwise provided, Interconnection Customer must complete negotiations with the successor Transmission Provider.

For a generating facility on the original Transmission Provider's Transmission System with an effective generator interconnection agreement that requires an operating guide to implement operating restrictions, and if such operating guide has not been completed at the time the original Transmission Provider transfers control of its Transmission System to the successor Transmission Provider, the successor Transmission Provider shall perform a study to determine the operating restrictions of the generating facility.

Section 8. Definitive Planning Phase

8.1 Definitive Interconnection System Impact Study Agreement.

Unless otherwise agreed, pursuant to the Scoping Meeting provided in Section 3.3.4, simultaneously with the delivery of the Preliminary Interconnection System Impact Study to Interconnection Customer or simultaneously with the acknowledgement of a valid Interconnection Request indicating that a Definitive Interconnection System Impact Study is to be performed, Transmission Provider shall provide to Interconnection Customer a Definitive Interconnection System Impact Study Agreement in the form of Appendix 3A to this GIP. The Definitive Interconnection System Impact Study Agreement shall provide that Interconnection Customer shall compensate Transmission Provider for the actual cost of the Definitive Interconnection System Impact Study. Within three (3) Business Days following the Preliminary Interconnection System Impact Study results meeting described under Section 7.5, or within (3) Business Days following acknowledgement of a valid Interconnection Request indicating that a Definitive Interconnection System Impact Study is to be performed, Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Definitive Interconnection System Impact Study.

8.2 Execution of Definitive Interconnection System Impact Study Agreement.

Interconnection Customer shall execute the Definitive Interconnection System Impact Study Agreement and deliver the executed Definitive Interconnection System Impact Study Agreement to Transmission Provider following its receipt no later than the lesser of (i) thirty (30) Calendar Days or (ii) the Calendar Days remaining prior to close of the DISIS Queue Cluster Window, along with each of the following:

- a. Demonstration of Site Control;
- b. Study deposit, which shall be one of the following:
 1. \$15,000 deposit for requests less than or equal to 2 MW (See Section 13.3 for requirements for this deposit to be considered refundable);
 2. \$25,000 deposit for requests greater than 2 MW and less than or equal to 20 MW (See Section 13.3 for requirements for this deposit to be considered refundable);
 3. \$40,000 deposit for requests of greater than 20 MW and less than 75 MW (See Section 13.3 for requirements for this deposit to be considered refundable); or

- 4. \$80,000 deposit for requests greater than or equal to 75 MW (See Section 13.3 for requirements for this deposit to be considered refundable);
- c. Definitive Point of Interconnection;
- d. Definitive plant size (MW);
- e. Technical information required in Appendix 7 of this GIP, if applicable; and
- f. Security deposit equal to \$1000/MW of the plant size (refundable at commercial operation or if Interconnection Request is withdrawn prior to the execution of the Interconnection Facilities Study Agreement).

If the Definitive Interconnection System Impact Study uncovers any unexpected result(s) not contemplated during the Interconnection Feasibility Study or the Preliminary Interconnection System Impact Study, a substitute Point of Interconnection identified by Transmission Provider may be substituted for the designated Point of Interconnection specified above without loss of Initial Queue Position, and restudies shall be completed pursuant to Section 8.8 as applicable.

8.3 DISIS Review Period

The DISIS Review Period shall be the thirty (30) Calendar Day period following the close of the DISIS Queue Cluster Window during which the Transmission Provider will validate Interconnection Requests. The Transmission Provider shall notify the Interconnection Customer of any deficiencies that would warrant removal from the DISIS Queue. Interconnection Customer shall have fifteen (15) Business Days from the date of the notice to cure any deficiencies, *which may extend beyond the DISIS Review Period*. If the Interconnection Customer does not cure the deficiencies within such time period, the Interconnection Request shall be deemed withdrawn. Transmission Provider may conduct additional Scoping Meetings during the DISIS Review Period.

8.4 Scope of Definitive Interconnection System Impact Study.

The Definitive Interconnection System Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the Transmission System. The Definitive Interconnection System Impact Study will consider two different scenarios as described below.

- 8.4.1** The “Cluster Scenario” will consider the Base Case, as well as all Interconnection Requests in the Definitive Interconnection System Impact Study Queue and all generating facilities (and with respect to (iii) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Definitive Interconnection System Impact Study is commenced:

- (i) are directly interconnected to the Transmission System;
- (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request;
- (iii) have a pending higher queued Interconnection Request to interconnect to the Transmission System; and
- (iv) have no Interconnection Queue Position but have executed a GIA or requested that an unexecuted GIA be filed with FERC.

8.4.2 The “Stand Alone Scenario” will consider the Base Case as well as all generating facilities (and with respect to (iii) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Definitive Interconnection System Impact Study is commenced:

- (i) are directly interconnected to the Transmission System;
- (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request;
- (iii) have a pending higher queued Interconnection Request to interconnect to the Transmission System; and
- (iv) have no Interconnection Queue Position but have executed a GIA or requested that an unexecuted GIA be filed with FERC.

The Definitive Interconnection System Impact Study will consist of a short circuit analysis, a stability analysis, and a power flow analysis. The Definitive Interconnection System Impact Study will state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing the requested interconnection service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. The Definitive Interconnection System Impact Study will provide a list of facilities that are required as a result of the Interconnection Request and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

8.4.3 Availability of Limited Operation.

If the Definitive Interconnection System Impact Study “Stand Alone Scenario” as defined in Section 8.4.2 determines that the full

amount of interconnection capacity requested by the Interconnection Customer is not available by its requested Commercial Operation Date due to transmission constraints that may be remedied by an upgrade(s) with an in-service date beyond the Commercial Operation Date proposed by the Interconnection Customer, the Transmission Provider shall quantify the amount of interconnection capacity available to the Interconnection Customer prior to the in-service date of such upgrade(s) (“Limited Operation”). The Interconnection Customer shall be notified of the amount of interconnection capacity available under the Limited Operation condition. The Interconnection Customer may choose to proceed with Limited Operation by executing the Limited Operation Interconnection Facilities Study Agreement in Appendix 4A. The Interconnection Customer may also be subject to conditions in Section 8.7 of the GIP.

8.4.4 Facilities Analysis.

During the Definitive Interconnection System Impact Study, the Transmission Provider shall specify and estimate the cost of the equipment, engineering, procurement and construction work needed for transmission facilities at the Point of Interconnection to physically and electrically connect the Generating Facility to the Transmission System (“Facilities Analysis”). The Facilities Analysis shall also identify the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear, meters, and other station equipment; the nature and estimated cost of any Transmission Owner's Interconnection Facilities and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities. The results of the Facility Analysis shall be utilized as part of the Interconnection Facilities Study.

8.5 Definitive Interconnection System Impact Study Procedures.

- a. Transmission Provider shall coordinate the Definitive Interconnection System Impact Study with any Affected System that is affected by the Interconnection Request pursuant to Section 3.5 above. Transmission Provider shall utilize existing studies to the extent practicable when it performs the study. Interconnection Requests for Definitive System Impact Studies may be submitted within the DISIS Queue Cluster Window and the Transmission Provider shall perform Definitive Interconnection System Impact Studies every one-hundred-eighty (180) days. Transmission Provider shall use Reasonable Efforts to complete the Definitive Interconnection System Impact Study no later than one-

hundred-twenty (120) Calendar Days after the close of the DISIS Queue Cluster Window.

- b. At the request of Interconnection Customer or at any time Transmission Provider determines that it will not meet the required time frame for completing the Definitive Interconnection System Impact Study, Transmission Provider shall notify Interconnection Customer as to the schedule status of the Definitive Interconnection System Impact Study. If Transmission Provider is unable to complete the Definitive Interconnection System Impact Study within the time period, it shall notify Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, Transmission Provider shall provide Interconnection Customer all supporting documentation, workpapers and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases for the Definitive Interconnection System Impact Study, subject to confidentiality arrangements consistent with Section 13.1.

8.6 Meeting with Transmission Provider.

Within ten (10) Business Days of providing a Definitive Interconnection System Impact Study report to Interconnection Customer, Transmission Provider, Transmission Owner and Interconnection Customer shall meet to discuss the results of the Definitive Interconnection System Impact Study.

The Interconnection Customer shall notify the Transmission Provider of its intent to remain in the DISIS Queue at the meeting with the Transmission Provider, but no later than 30 calendar days after the DISIS report is provided to the Interconnection Customer. If the Interconnection Customer chooses to remain in the DISIS Queue, this option may be invoked by the Interconnection Customer a maximum of two additional DISIS cycles, subject to the Interconnection Customer's continued payment of study costs in accordance with Section 13.3.

8.6.1 Environmental Review.

This Section 8.6.1 applies only in the event the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP. Unless previously requested, Western-UGP shall use Reasonable Efforts to tender, within fifteen (15) Calendar Days of Transmission Provider providing the Definitive Interconnection System Impact Study report to Interconnection Customer, an Environmental Review agreement authorizing Western-UGP, at Interconnection Customer's expense, to perform environmental review of the proposed interconnection to Western-UGP's transmission facilities, including review under NEPA, 42 U.S.C. §4321, et seq., as amended, and setting forth Interconnection Customer's responsibilities in connection with such

environmental review. The Environmental Review agreement shall contain a non-binding good faith estimate of the cost and timeframe for completing the Environmental Review. Interconnection Customer shall execute the environmental review agreement and return it, with the estimated funds set forth in the agreement based upon the level of Environmental Review required, to Western-UGP within thirty (30) Calendar Days after receipt by the Interconnection Customer. If an executed Environmental Review agreement and the required funds are not provided in the manner set forth above, the Interconnection Request shall be deemed withdrawn. Notwithstanding the provisions of Section 3.6, an Interconnection Customer shall have no right to cure the failure to deliver the executed Environmental Review agreement or the required funds in the timeframe identified above. If the costs incurred by Western-UGP are less than the deposit submitted by Interconnection Customer, Western-UGP shall refund the difference, without interest, as soon as the necessary vouchers are prepared. In addition, if at any time prior to the issuance of Western-UGP's final NEPA decisional document the Interconnection Customer fails to comply with the terms of the Environmental Review agreement, Western-UGP shall notify the Transmission Provider of the Interconnection Customer's failure. Upon such notification, Transmission Provider may deem the Interconnection Request withdrawn.

8.6.1.1 Environmental Review Procedures.

- a. After receipt of an executed Environmental Review agreement, Western-UGP shall use Reasonable Efforts to complete the study and issue a draft study report to Interconnection Customer within eighteen (18) months, or the actual time required to complete the necessary level of Environmental Review.
- b. At the request of Interconnection Customer or at any time Western-UGP determines that it will not meet the required time frame for completing the Environmental Review, Western-UGP shall notify Interconnection Customer as to the schedule status of the Environmental Review. If Western-UGP is unable to complete the Environmental Review within the time required, it shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required.
- c. Western-UGP shall notify the Transmission Provider of the schedule status of the Environmental Review.

8.7 Interconnection Requests That Require Previously Approved Network Upgrades.

At the completion of the Definitive Interconnection System Impact Study, the Definitive Interconnection System Impact Study may identify one or more Network Upgrades previously approved for construction under Section VI of Attachment O of this Tariff (“Previously Approved Network Upgrade”) and required to be in-service prior to an Interconnection Customer’s Commercial Operation Date. If a Previously Approved Network Upgrade will not be in-service prior to the Interconnection Customer’s Commercial Operation Date, Interconnection Customer’s Commercial Operation Date may be extended for a maximum period of three (3) years pursuant to Section 4.4.4 to accommodate the in-service date for a Previously Approved Network Upgrade. If the three (3) year extension is not sufficient for a Previously Approved Network Upgrade to be placed into service prior to the Interconnection Customer’s Commercial Operation Date, the Interconnection Customer will not be tendered an Interconnection Facilities Study Agreement. The Transmission Provider shall tender a Limited Operation Interconnection Facilities Study Agreement in the form of Appendix 4A to the Interconnection Customer. If the Interconnection Customer executes the Limited Operation Interconnection Facilities Study Agreement, the Interconnection Customer agrees to the following conditions for moving into the Interconnection Facilities Study:

- a. The Generating Facility will be allowed to operate under Limited Operation in accordance with Section 8.4.3 before a Previously Approved Network Upgrade is placed into service;
- b. The Interconnection Customer will meet all requirements of the GIP;
and
- c. The Interconnection Customer will provide financial security and authorize engineering, procurement, and construction of its cost assigned Network Upgrades and interconnection facilities no later than thirty (30) days after the effective date of the GIA.

If the Interconnection Customer declines to execute the Limited Operation Interconnection Facilities Study Agreement, the Interconnection Customer may either remain in the DISIS Queue, withdraw the Interconnection Request or request a reduction in the amount of interconnection capacity in Interconnection Customer’s Interconnection Request. *Interconnection Customer may elect to remain in the DISIS Queue as described in Section 8.6.*

8.8 Re-Study.

If Re-Study of the Definitive Interconnection System Impact Study is required due to a higher queued or equal priority queued project dropping out of the queue, or a modification of a higher queued project subject to Section 4.4, or re-designation of the Point of Interconnection pursuant to Section 8.2, or more than one Interconnection Customer (with similar electrical impacts as determined by the Transmission Provider) meeting all requirements of the Interconnection Facilities Study Agreement, the Transmission Provider shall notify Interconnection Customer in writing. Such Re-Study shall take no longer than sixty (60) Calendar Days from the date of notice. Any cost of Re-Study, as reduced by deposit amounts retained for other Interconnection Customer(s) under Section 13.3, shall be borne by the Interconnection Customer(s) being re-studied. Restudies will not be required of the Definitive Interconnection System Impact Study "Cluster Scenario" as the "Cluster Scenario" will be automatically re-evaluated for every open season.

After the completion of the Restudy, an Interconnection Customer that is being restudied as a result of more than one Interconnection Customer meeting all requirements of the Interconnection Facilities Study Agreement may elect to remain in the Interconnection Facilities Study Queue, return to the DISIS Queue, subject to the limitations described in Section 8.6, or withdraw its Interconnection Request and receive a refund of its security deposit in accordance with Section 8.9.b.

8.9 Interconnection Facilities Study Agreement.

Simultaneously with the delivery of the Definitive Interconnection System Impact Study to Interconnection Customer, Transmission Provider shall provide to Interconnection Customer an Interconnection Facilities Study Agreement in the form of Appendix 4 to this GIP or a Limited Operation Interconnection Facilities Study Agreement in the form of Appendix 4A to this GIP. The Interconnection Facilities Study Agreement and the Limited Operation Interconnection Facilities Study Agreement shall provide that Interconnection Customer shall compensate Transmission Provider for the actual cost of the Interconnection Facilities Study. Within three (3) Business Days following the Definitive Interconnection System Impact Study results meeting, Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study. Interconnection Customer shall within thirty (30) Calendar Days after receipt, execute and provide to the Transmission Provider the Interconnection Facilities Study Agreement or the Limited Operation Interconnection Facilities Study Agreement, and deliver the executed Interconnection Facilities Study Agreement to Transmission Provider within thirty (30) Calendar Days after its receipt, together with the required technical data along with a security deposit equal to \$3000/MW of the plant size. This security deposit is in addition to any amount provided in Section 8.2. This security deposit shall be applied as follows:

- a. The security deposit is refundable, *with accrued interest, if any*, if the Interconnection Request is withdrawn prior to the execution of a GIA or a request to file the GIA at the Commission unexecuted unless the following conditions exist:
 1. the withdrawal of the Interconnection Request is determined by Transmission Provider to cause increased facility upgrade cost to any Interconnection Customer in the Interconnection Facilities Queue; and
 2. the total Network Upgrade cost estimates in the Interconnection Facilities Study increased by less than twenty-five percent (25%) over the Network Upgrade cost estimates in the Definitive Interconnection System Impact Study for the withdrawing Interconnection Customer.

If the security deposit is retained, it shall be applied toward the cost of constructing any Network Upgrades assigned to an Interconnection Customer as a result of the withdrawal. Any remaining funds shall be refunded to the Interconnection Customer with accrued interest, if any.
- b. *The security deposit is refundable, with accrued interest, if any, if subsequent to the payment of the security deposit the Interconnection Customer elects to return to the DISIS Queue or withdraws the Interconnection Request as a result of more than one Interconnection Customer moving into the Interconnection Facilities Study Queue at the same time.*
- c. Following the execution of a GIA or the filing of an unexecuted GIA at the Commission, the security deposit shall be applied toward the cost of constructing any Network Upgrades and Interconnection Facilities identified in the GIA. Any remaining funds shall be refunded to the Interconnection Customer following the Commercial Operation Date or otherwise subject to terms of the GIA.

8.10 Scope of Interconnection Facilities Study.

The Interconnection Facilities Study shall specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Definitive Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility to the Transmission System. The Interconnection Facilities Study shall also identify the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear, meters,

and other station equipment; the nature and estimated cost of any Transmission Owner's Interconnection Facilities and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities.

The Interconnection Facilities Study shall utilize results of the Facility Analysis from the Definitive Interconnection System Impact Study performed in accordance with Section 8.4.4.

8.11 Interconnection Facilities Study Procedures.

- a. Transmission Provider shall coordinate the Interconnection Facilities Study with any Affected System pursuant to Section 3.5 above. Transmission Provider shall utilize existing studies to the extent practicable in performing the Interconnection Facilities Study. Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within the following number of days after receipt of an executed Interconnection Facilities Study Agreement: ninety (90) Calendar Days, with no more than a +/- 20 percent cost estimate contained in the report.
- b. At the request of Interconnection Customer or at any time Transmission Provider determines that it will not meet the required time frame for completing the Interconnection Facilities Study, Transmission Provider shall notify Interconnection Customer as to the schedule status of the Interconnection Facilities Study. If Transmission Provider is unable to complete the Interconnection Facilities Study and issue a draft Interconnection Facilities Study report within the time required, it shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required.
- c. Interconnection Customer may, within thirty (30) Calendar Days after receipt of the draft report, provide written comments to Transmission Provider, which Transmission Provider shall include in the final report. Transmission Provider shall issue the final Interconnection Facilities Study report within fifteen (15) Business Days of receiving Interconnection Customer's comments or promptly upon receiving Interconnection Customer's statement that it will not provide comments. Transmission Provider may reasonably extend such fifteen-day period upon notice to Interconnection Customer if Interconnection Customer's comments require Transmission Provider to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Report. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation, workpapers, and databases or data developed in the preparation of the Interconnection Facilities Study, subject to confidentiality arrangements consistent with Section 13.1.

8.12 Meeting with Transmission Provider.

Within ten (10) Business Days of providing a draft Interconnection Facilities Study report to Interconnection Customer, Transmission Provider, Transmission Owner and Interconnection Customer shall meet to discuss the results of the Interconnection Facilities Study.

8.13 Re-Study.

If Re-Study of the Interconnection Facilities Study is required due to a higher or equal priority queued project dropping out of the queue or a modification of a higher queued project pursuant to Section 4.4, Transmission Provider shall so notify Interconnection Customer in writing. Such Re-Study shall take no longer than sixty (60) Calendar Days from the date of notice. Any cost of Re-Study, as reduced by deposit amounts retained under Section 13.3, shall be borne by the Interconnection Customer(s) being re-studied.

Section 9. Engineering & Procurement ('E&P') Agreement

Prior to executing a GIA, an Interconnection Customer may, in order to advance the implementation of its interconnection, request and Transmission Owner shall offer the Interconnection Customer, an E&P Agreement that authorizes Transmission Owner to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection. However, Transmission Owner shall not be obligated to offer an E&P Agreement if Interconnection Customer is in Dispute Resolution as a result of an allegation that Interconnection Customer has failed to meet any milestones or comply with any prerequisites specified in other parts of the GIP. The E&P Agreement is an optional procedure and it will not alter the Interconnection Customer's Interconnection Queue Position or In-Service Date. The E&P Agreement shall provide for Interconnection Customer to pay the cost of all activities authorized by Interconnection Customer and to make advance payments or provide other satisfactory security for such costs. An E&P Agreement executed by Western-UGP, as the Transmission Owner, requires advance payments.

Interconnection Customer shall pay the cost of such authorized activities and any cancellation costs for equipment that is already ordered for its interconnection, which cannot be mitigated as hereafter described, whether or not such items or equipment later become unnecessary. If Interconnection Customer withdraws its application for interconnection or either Party terminates the E&P Agreement, to the extent the equipment ordered can be canceled under reasonable terms, Interconnection Customer shall be obligated to pay the associated cancellation costs. To the extent that the equipment cannot be reasonably canceled, Transmission Owner may elect: (i) to take title to the equipment, in which event Transmission Owner shall refund Interconnection Customer any amounts paid by Interconnection Customer for such equipment and shall pay the cost of delivery of such equipment, or (ii) to transfer title to and deliver such equipment to Interconnection Customer, in which event Interconnection Customer shall pay any unpaid balance and cost of delivery of such equipment.

Section 11. Generator Interconnection Agreement (GIA)

11.1 Tender.

Interconnection Customer shall tender comments on the draft Interconnection Facilities Study report within thirty (30) Calendar Days of receipt of the report. Simultaneously with issuance of the final Interconnection Facilities Study report, the Transmission Provider shall tender to the Interconnection Customer a draft GIA together with draft appendices. The draft GIA shall be in the form of the Transmission Provider's FERC-approved standard form GIA, which is in Appendix 6, or Appendix 13 when Western-UGP is a Party, as the Transmission Owner, to the GIA. The Transmission Provider, Transmission Owner and the Interconnection Customer shall negotiate concerning provisions of the appendices to the draft GIA for not more than sixty (60) Calendar Days after tender of the final Interconnection Facilities Study report. If the Transmission Provider identifies that Interconnection Facilities or Network Upgrades are required on the Western-UGP Transmission System, the GIA shall be subject to completion of the appropriate NEPA level of Environmental Review. Until the required NEPA decision document is issued, no construction activities relating to the transmission facilities of Western-UGP shall commence and may impact the Commercial Operation Date for the Interconnection Request. Such NEPA related restrictions, if applicable, shall be set forth in the GIA.

11.2 Negotiation.

Notwithstanding Section 11.1, at the request of Interconnection Customer Transmission Provider and the Transmission Owner shall begin negotiations with Interconnection Customer concerning the appendices to the GIA at any time after Interconnection Customer executes the Interconnection Facilities Study Agreement. Transmission Provider, Transmission Owner and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft GIA for not more than sixty (60) Calendar Days after tender of the final Interconnection Facilities Study report. If Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft GIA pursuant to Section 11.1 and request submission of the unexecuted GIA with FERC or initiate Dispute Resolution procedures pursuant to Section 13.5. If Interconnection Customer requests termination of the negotiations, but within sixty (60) Calendar Days thereafter fails to request either the filing of the unexecuted GIA or initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if Interconnection Customer has not executed the GIA, requested filing of an unexecuted GIA, or initiated Dispute Resolution procedures pursuant to Section 13.5 within sixty (60) Calendar Days of tender of draft GIA appendices, it shall be deemed to have withdrawn its Interconnection Request. Transmission Provider shall provide to Interconnection Customer a final GIA within fifteen (15) Business Days after the completion of the negotiation process.

11.3 Execution and Filing.

Within fifteen (15) Business Days after receipt of the final GIA, Interconnection Customer shall provide Transmission Provider (A) reasonable evidence of continued Site Control or (B) posting of \$250,000, non-refundable additional security, which shall be applied toward future construction costs. At the same time, Interconnection Customer also shall provide reasonable evidence that one or more of the following milestones in the development of the Generating Facility, at Interconnection Customer election, has been achieved: (i) the execution of a contract for the supply or transportation of fuel to the Generating Facility; (ii) the execution of a contract for the supply of cooling water to the Generating Facility; (iii) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Generating Facility; (iv) execution of a contract (or comparable evidence) for the sale of electric energy or capacity from the Generating Facility; (v) statement signed by an officer or authorized agent of the Interconnection Customer attesting the Generating Facility is included in an applicable state resource plan; (vi) other information that the Transmission Provider deems to be reasonable evidence that the Generating Facility will qualify as a Designated Resource; or (vii) application for an air, water, or land use permit. The Transmission Provider will not execute the final Generator Interconnection Agreement unless the Interconnection Customer provides the information described in this paragraph.

Within fifteen (15) Business Days after receipt of the final GIA, the Interconnection Customer shall either: (i) execute three originals of the tendered GIA and return them to Transmission Owner who will execute them and forward them to the Transmission Provider; or (ii) request in writing that Transmission Provider file with FERC a GIA in unexecuted form. As soon as practicable, but not later than thirty (30) Calendar Days after receiving either the three executed originals of the tendered GIA (if it does not conform with a FERC-approved standard form of interconnection agreement) or ten (10) Business Days after receiving the request to file an unexecuted GIA, Transmission Provider shall file the GIA with FERC, together with its explanation of any matters as to which Interconnection Customer, Transmission Owner and Transmission Provider disagree and support for the costs that Transmission Provider and/or the Transmission Owner propose to charge to Interconnection Customer under the GIA. An unexecuted GIA should contain terms and conditions deemed appropriate by Transmission Provider and the Transmission Owner for the Interconnection Request. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted GIA, they may proceed pending FERC action.

11.4 Commencement of Interconnection Activities.

If Interconnection Customer executes the final GIA, Transmission Provider, the Transmission Owner and Interconnection Customer shall perform their respective obligations in accordance with the terms of the GIA, subject to modification by

FERC. Upon submission of an unexecuted GIA, Interconnection Customer, Transmission Owner and Transmission Provider shall promptly comply with the unexecuted GIA, subject to modification by FERC.

Section 11A. Interim Generator Interconnection Agreement (Interim GIA)

11A.1 Availability.

Interconnection Customers with pending Interconnection Requests relating to Generating Facilities that have anticipated In-Service Dates prior to the expected completion of the Interconnection Studies pursuant to this Attachment V may request Interim Interconnection Service, execute a Interim Generator Interconnection Agreement (Interim GIA) and receive Interim Interconnection Service pursuant to the terms and conditions of this Section 11A and the Interim GIA. Execution of an Interim GIA and receipt of Interim Interconnection Service is an optional procedure and will not alter the Interconnection Customer's Interconnection Queue Position. Interim Interconnection Service may be terminated at any point that a Generating Facility with an Interconnection Request that has a higher Interconnection Queue Position goes into Commercial Operation and Transmission Provider determines that Interim Interconnection Service and Interconnection Service cannot be provided to more than one Interconnection Customer simultaneously.

11A.2 Eligibility.

Interconnection Customers shall be eligible for Interim Interconnection Service under the following conditions:

11A.2.1 Interconnection Customer has provided Transmission Provider: (i) reasonable evidence of continued Site Control or posting of \$250,000, non-refundable additional security, which shall be applied toward future construction costs; and (ii) reasonable evidence that one or more of the following milestones in the development of the Generating Facility, at Interconnection Customer election, has been achieved: (a) the execution of a contract for the supply or transportation of fuel to the Generating Facility; (b) the execution of a contract for the supply of cooling water to the Generating Facility; (c) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Generating Facility; (d) execution of a contract (or comparable evidence) for the sale of electric energy or capacity from the Generating Facility; (e) statement signed by an officer or authorized agent of the Interconnection Customer attesting the Generating Facility is included in an applicable state resource plan; (f) other information that the Transmission Provider deems to be reasonable evidence that the Generating Facility will qualify as a Designated Resource; or (g) application for an air, water, or land use permit. The Transmission Provider will not execute the Interim Generator Interconnection Agreement unless the Interconnection Customer provides the information described in this paragraph.

- 11A.2.2** Interconnection Customer has met the terms and conditions to be included in Transmission Provider's Definitive Interconnection System Impact Study Queue pursuant to Section 8.2;
- 11A.2.3** Interconnection Customer has submitted in writing to Transmission Provider a request for Interim Interconnection Service;
- 11A.2.4** Interconnection Customer has entered into a study agreement pursuant to which it has agreed to pay all costs, including deposits for any additional studies deemed necessary by Transmission Provider to evaluate the feasibility of the Interconnection Customer's requested Interim Interconnection Service;
 - 11A.2.4.1** The Interim Availability Interconnection System Impact Study will maintain the scope and procedures of the Definitive Interconnection System Impact Study with the exception that certain previous queued Interconnection Requests may not be included in the study. Such exceptions and reasons for those exceptions will be noted in the study.
 - 11A.2.4.2** The cost of the Interim Availability Interconnection System Impact Study will be subtracted from the Customer's deposit submitted for the Definitive Interconnection System Impact Study.
- 11A.2.5** Transmission Provider has determined based upon the results of the additional studies, taking into account the Interconnection Customer's In-Service Date and the Transmission System topology upon such date that there will be sufficient stability and reliability margin to accommodate Interim Interconnection Service to the Interconnection Customer's Generating Facility;
- 11A.2.6** Interconnection Customer has executed an Interim GIA in accordance with Section 11A.3; and
- 11A.2.7** Interconnection Customer has provided security in accordance with Article 11.5 of the Interim GIA.

11A.3 Tender, Negotiation, Execution and Filing of Interim GIA.

- 11A.3.1** Upon completion of Transmission Provider's analysis referenced in Section 11A.2.5, Transmission Provider shall notify Interconnection Customer in writing whether Interim Interconnection Service is feasible. In the event that Interconnection Customer's requested Interim Interconnection Service is feasible, Transmission Provider shall tender to the Interconnection Customer a draft Interim GIA together with

appendices. The draft Interim GIA shall be in the form of the Transmission Provider's FERC-approved standard form Interim GIA, which is in Appendix 8, or in Appendix 14 when Western-UGP is a Party, as the Transmission Owner, to the Interim GIA. If the Transmission Provider identifies that Interconnection Facilities or Network Upgrades are required on the Western-UGP Transmission System, the Interim GIA shall be subject to completion of the appropriate NEPA level of Environmental Review. Until the required NEPA decision document is issued, no construction activities relating to the transmission facilities of Western-UGP shall commence and may impact the Commercial Operation Date for the Interconnection Request. Such NEPA related restrictions, if applicable, shall be set forth in the Interim GIA.

11A.3.2

Transmission Provider, Transmission Owner and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft Interim GIA for not more than thirty (30) Calendar Days after tender of the draft Interim GIA, unless another time period is agreed upon by the Parties. At the conclusion of the negotiation period or sooner if the Parties have reached agreement, Transmission Provider shall tender a final Interim GIA and within ten (10) Calendar Days the Interconnection Customer shall either: (i) execute three originals of the tendered Interim GIA and return them to Transmission Owner who will execute them and forward them to the Transmission Provider; or (ii) request in writing that Transmission Provider file with FERC an Interim GIA in unexecuted form. As soon as practicable, but not later than thirty (30) Calendar Days after receiving either the three executed originals of the tendered Interim GIA (if it does not conform with a FERC-approved standard form of interim interconnection agreement) or ten (10) Business Days after receiving the request to file an unexecuted Interim GIA, Transmission Provider shall file the Interim GIA with FERC, together with its explanation of any matters as to which Interconnection Customer, Transmission Owner and Transmission Provider disagree and support for the costs that Transmission Provider and/or the Transmission Owner propose to charge to Interconnection Customer under the Interim GIA. An unexecuted Interim GIA should contain terms and conditions deemed appropriate by Transmission Provider and the Transmission Owner for the Interconnection Request. Prior to FERC action, the Parties may agree to proceed with design, procurement, and construction of facilities and upgrades under the terms of the unexecuted Interim GIA.

11A.4 Commencement of Interim Interconnection Activities.

If Interconnection Customer executes the Interim GIA, Transmission Provider, the Transmission Owner and Interconnection Customer shall perform their respective obligations in accordance with the terms of the Interim GIA, subject to modification by FERC. Upon submission of an unexecuted Interim GIA, Interconnection Customer, Transmission Owner and Transmission Provider shall promptly comply with the unexecuted Interim GIA, subject to modification by FERC.

11A.5 Interconnection Service upon Termination of Interim GIA.

Terminating events for an Interim GIA are given in Article 2.3.1 of the Interim GIA. Upon termination of the Interim GIA for any reason, the Interim Interconnection Service shall cease. Interconnection Service, if any, associated with the Generating Facility shall be provided to Interconnection Customer by Transmission Provider pursuant to the terms and conditions of a final GIA.

Section 13. Miscellaneous

13.1 Confidentiality.

Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by either of the Parties to the other prior to the execution of a 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.

If requested by either Party, the other 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.

13.1.1 Scope.

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of the GIA; or (6) is required, in accordance with Section 13.1.6, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under the GIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

13.1.2 Release of Confidential Information.

Neither Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), employees, consultants, or to parties who may be or 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 these procedures, unless such person has first been advised of the confidentiality provisions of this Section 13.1 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section 13.1.

13.1.3 Rights.

Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other Party of Confidential Information shall not be deemed a waiver by either Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

13.1.4 No Warranties.

By providing Confidential Information, neither Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, neither Party obligates itself to provide any particular information or Confidential Information to the other Party nor to enter into any further agreements or proceed with any other relationship or joint venture.

13.1.5 Standard of Care.

Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Party under these procedures or its regulatory requirements.

13.1.6 Order of Disclosure.

If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires either Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Party with prompt notice of such request(s) or requirement(s) so that the other Party may seek an appropriate protective order or waive compliance with the terms of the 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.

13.1.7 Remedies.

The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's Breach of its obligations under this Section 13.1. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Section 13.1, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Section 13.1, 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 Section 13.1.

13.1.8 Disclosure to FERC, its Staff, or a State.

Notwithstanding anything in this Section 13.1 to the contrary, and pursuant to 18 CFR section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to the GIP, 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 Section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Party to the 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 either of the Parties may respond before such information would be made public, pursuant to 18 CFR Section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, consistent with applicable Federal and state laws, rules and regulations.

13.1.9 Subject to the exception in Section 13.1.8, any information that a Party claims is competitively sensitive, commercial or financial information ("Confidential Information") shall not be disclosed by the other Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii)

otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this GIP or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a subregional, regional or national reliability organization or planning group. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

13.1.10 This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a Breach of this provision).

13.1.11 Transmission Provider shall, at Interconnection Customer's election, destroy, in a confidential manner, or return the Confidential Information provided at the time of Confidential Information is no longer needed.

13.2 Delegation of Responsibility.

Transmission Provider may use the services of subcontractors as it deems appropriate to perform its obligations under this GIP. Transmission Provider shall remain primarily liable to Interconnection Customer for the performance of such subcontractors and compliance with its obligations of this GIP. The subcontractor shall keep all information provided confidential and shall use such information solely for the performance of such obligation for which it was provided and no other purpose.

13.3 Obligation for Study Costs.

Except as provided below, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Studies. Any difference between the study deposit and the actual cost of the applicable Interconnection Study shall be paid by or refunded, except as otherwise provided herein, to Interconnection Customer or offset against the cost of any future Interconnection Studies associated with the applicable Interconnection Request prior to beginning of any such future Interconnection Studies. Any invoices for Interconnection Studies shall include a detailed and itemized accounting of the cost of each Interconnection Study. Interconnection Customer shall pay any such undisputed costs within thirty (30) Calendar Days of receipt of an invoice therefore. Transmission Provider shall not be obligated to perform or continue to perform any studies unless Interconnection Customer has paid all

undisputed amounts in compliance herewith. Milestone deposits collected in Sections 8.2 and 8.9 may also be used to pay the study costs for any restudies in accordance with Section 8.13 that affect lower-queued Interconnection Customers.

Unused study deposits provided pursuant to Section 8.2 will be refunded upon Commercial Operation. In the event that the Interconnection Customer withdraws its Interconnection Request during or after the Interconnection Facilities Study phase or terminates or suspends its interconnection agreement, Transmission Provider shall refund to Interconnection Customer such unused study deposits, less any costs associated with any studies or restudies required as a result of the withdrawal of the Interconnection Request or suspension or termination of the interconnection agreement, including any restudies associated with any affected lower-queued customers.

13.4 Third Parties Conducting Studies.

If (i) at the time of the signing of an Interconnection Study Agreement there is disagreement as to the estimated time to complete an Interconnection Study, (ii) Interconnection Customer receives notice pursuant to Sections 6.3, 7.4 or 8.5 that Transmission Provider will not complete an Interconnection Study within the applicable timeframe for such Interconnection Study, or (iii) Interconnection Customer receives neither the Interconnection Study nor a notice under Sections 6.3, 7.4 or 8.5 within the applicable timeframe for such Interconnection Study, then Interconnection Customer may require Transmission Provider to utilize a third party consultant reasonably acceptable to Interconnection Customer and Transmission Provider to perform such Interconnection Study under the direction of Transmission Provider. At other times, Transmission Provider may also utilize a third party consultant to perform such Interconnection Study, either in response to a general request of Interconnection Customer, or on its own volition.

In all cases, use of a third party consultant shall be in accord with Article 26 of the GIA (Subcontractors) and limited to situations where Transmission Provider determines that doing so will help maintain or accelerate the study process for Interconnection Customer's pending Interconnection Request and not interfere with Transmission Provider's progress on Interconnection Studies for other pending Interconnection Requests. In cases where Interconnection Customer requests use of a third party consultant to perform such Interconnection Study, Interconnection Customer and Transmission Provider shall negotiate all of the pertinent terms and conditions, including reimbursement arrangements and the estimated study completion date and study review deadline. Transmission Provider shall convey all workpapers, data bases, study results and all other supporting documentation prepared to date with respect to the Interconnection Request as soon as practicable upon Interconnection Customer's request subject to the confidentiality provision in Section 13.1. In any case, such third party contract may be entered into with either Interconnection Customer or Transmission Provider at Transmission Provider's discretion. In the case of (iii)

Interconnection Customer maintains its right to submit a claim to Dispute Resolution to recover the costs of such third party study. Such third party consultant shall be required to comply with this GIP, Article 26 of the GIA (Subcontractors), and the relevant Tariff procedures and protocols as would apply if Transmission Provider were to conduct the Interconnection Study and shall use the information provided to it solely for purposes of performing such services and for no other purposes. Transmission Provider shall cooperate with such third party consultant and Interconnection Customer to complete and issue the Interconnection Study in the shortest reasonable time.

13.5 Disputes.

In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with the GIP, or their performance, the Parties agree to resolve such dispute using the dispute resolution procedures in Section 12 of the Tariff.

13.6 Local Furnishing Bonds.

13.6.1 Transmission Owners That Own Facilities Financed by Local Furnishing or Other Tax-Exempt Bonds or That Are Tax Exempt Entities.

This provision is applicable only to a Transmission Owner that has financed facilities for the local furnishing of electric energy with tax-exempt bonds, as described in Section 142(f) of the Internal Revenue Code ("local furnishing bonds") or facilities with other bonds the interest on which is excluded from gross income under Section 103 of the Internal Revenue Code ("other tax-exempt bonds"), or that are tax-exempt entities, described in Section 501(c) of the Internal Revenue Code. Notwithstanding any other provision of this GIA and GIP, Transmission Provider shall not be required to provide Interconnection Service to Interconnection Customer pursuant to this GIA and GIP if the provision of such Interconnection Service would jeopardize the tax-exempt status of any local furnishing bond(s) or other tax-exempt bonds used to finance a Transmission Owner's facilities that would be used in providing such Interconnection Service or would jeopardize the tax-exempt status of the tax-exempt entity.

13.6.2 Alternative Procedures for Requesting Interconnection Service.

If Transmission Provider determines that the provision of Interconnection Service requested by Interconnection Customer would jeopardize the tax-exempt status of any local furnishing bond(s) or other tax-exempt bonds used to finance a Transmission Owner's facilities that would be used in providing such Interconnection Service or would jeopardize the tax-exempt status of the Transmission Owner, Transmission Provider shall

advise the Interconnection Customer within thirty (30) Calendar days of receipt of the Interconnection Request.

Interconnection Customer thereafter may renew its request for interconnection using the process specified in Article 5.2(ii) of the Transmission Provider's Tariff.

Section 14. Fast Track Process

14.1 Applicability

The Fast Track Process is available to an Interconnection Customer proposing to interconnect its Small Generating Facility with the *Distribution System* if the Small Generating Facility's capacity does not exceed the size limits identified in the table below. Small Generating Facilities below these limits are eligible for Fast Track review. However, Fast Track eligibility is distinct from the Fast Track Process itself, and eligibility does not imply or indicate that a Small Generating Facility will pass the Fast Track screens in section 14.2.1 below or the Supplemental Review screens in section 14.4.1 below.

Fast Track eligibility is determined based upon the generator type, the size of the generator, voltage of the line and the location of and the type of line at the Point of Interconnection. All Small Generating Facilities connecting to lines greater than 69 kilovolt (kV) are ineligible for the Fast Track Process regardless of size. All synchronous and induction machines must be no larger than 2 MW to be eligible for the Fast Track Process, regardless of location. For certified inverter-based systems, the size limit varies according to the voltage of the line at the proposed Point of Interconnection. Certified inverter-based Small Generating Facilities located within 2.5 electrical circuit miles of a substation and on a mainline (as defined in the table below) are eligible for the Fast Track Process under the higher thresholds according to the table below. In addition to the size threshold, the Interconnection Customer's proposed Small Generating Facility must meet the codes, standards, and certification requirements of Appendices 9 and 10 of these procedures, or the Transmission Owner has to have reviewed the design or tested the proposed Small Generating Facility and is satisfied that it is safe to operate.

<i>Fast Track Eligibility for Inverter-Based Systems</i>		
<i><u>Phase to Phase Line Voltage</u></i>	<i><u>Fast Track Eligibility Regardless of Location</u></i>	<i><u>Fast Track Eligibility on a Mainline¹ and ≤ 2.5 Electrical Circuit Miles from Substation²</u></i>
$\leq 5 \text{ kV}$	$\leq 500 \text{ kW}$	$\leq 500 \text{ kW}$
$\geq 5 \text{ kV and } < 15 \text{ kV}$	$\leq 2 \text{ MW}$	$\leq 3 \text{ MW}$
$\geq 15 \text{ kV and } < 30 \text{ kV}$	$\leq 3 \text{ MW}$	$\leq 4 \text{ MW}$
$\geq 30 \text{ kV and } \leq 69 \text{ kV}$	$\leq 4 \text{ MW}$	$\leq 5 \text{ MW}$

¹ For purposes of this table, a mainline is the three-phase backbone of a circuit. It will typically constitute lines with wire sizes of 4/0 American wire gauge, 336.4 kcmil, 397.5 kcmil, 477 kcmil and 795 kcmil.

² An Interconnection Customer can determine this information about its proposed interconnection location in advance by requesting a pre-application report pursuant to Section 2.2.

14.1.1 *For purposes of Section 14.1, the Interconnection Request shall be evaluated using the maximum capacity that the Small Generating Facility is capable of injecting into the Transmission Provider's electric system. However, if the maximum capacity that the Small Generating Facility is capable of injecting into the Transmission Provider's electric system is limited (e.g., through use of a control system, power relay(s), or other similar device settings or adjustments), then the Interconnection Customer must obtain the Transmission Provider's agreement, with such agreement not to be unreasonably withheld, that the manner in which the Interconnection Customer proposes to implement such a limit will not adversely affect the safety and reliability of the Transmission Provider's system. If the Transmission Provider does not so agree, then the Interconnection Request must be withdrawn or revised to specify the maximum capacity that the Small Generating Facility is capable of injecting into the Transmission Provider's electric system without such limitations. Furthermore, nothing in this section shall prevent a Transmission Provider from considering an output higher than the limited output, if appropriate, when evaluating system protection impacts.*

14.2 Initial Review

Interconnection Customer shall submit an application in the form of Appendix 1 along with a deposit of \$1000. Within 15 Business Days after the Transmission Provider notifies the Interconnection Customer it has received a complete Interconnection Request, the Transmission Provider shall have the Transmission Owner perform an initial review using the screens set forth below. The Transmission Provider shall notify the Interconnection Customer of the results, and include with the notification copies of the analysis and data underlying the Transmission Owner's determinations under the screens.

14.2.1 Screens

14.2.1.1 The proposed Small Generating Facility's Point of Interconnection must be on a portion of the Distribution System that is subject to the Tariff.

14.2.1.2 For interconnection of a proposed Small Generating Facility to a radial distribution circuit, the aggregated generation, including the proposed Small Generating Facility, on the circuit shall not exceed 15% of the line section annual peak load as most recently measured at the substation. A line section is that portion of a Transmission Owner's electric system connected to a customer bounded by automatic sectionalizing devices or the end of the distribution line.

14.2.1.3 For interconnection of a proposed Small Generating Facility to the load side of spot network protectors, the proposed Small Generating Facility must utilize an inverter-based equipment package and, together with the aggregated other inverter-based

generation, shall not exceed the smaller of 5% of a spot network's maximum load or 50 kW.

14.2.1.4 The proposed Small Generating Facility, in aggregation with other generation on the distribution circuit, shall not contribute more than 10% to the distribution circuit's maximum fault current at the point on the high voltage (primary) level nearest the proposed point of change of ownership.

14.2.1.5 The proposed Small Generating Facility, in aggregate with other generation on the distribution circuit, shall not cause any distribution protective devices and equipment (including, but not limited to, substation breakers, fuse cutouts, and line reclosers), or Interconnection Customer equipment on the system to exceed 87.5% of the short circuit interrupting capability; nor shall the interconnection be proposed for a circuit that already exceeds 87.5% of the short circuit interrupting capability.

14.2.1.6 Using the table below, determine the type of interconnection to a primary distribution line. This screen includes a review of the type of electrical service provided to the Interconnecting Customer, including line configuration and the transformer connection to limit the potential for creating over-voltages on the Transmission Owner's electric power system due to a loss of ground during the operating time of any anti-islanding function.

Primary Distribution Line Type	Type of Interconnection to Primary Distribution Line	Result/Criteria
Three-phase, three wire	3-phase or single phase, phase-to-phase	Pass screen
Three-phase, four wire	Effectively-grounded 3 phase or Single-phase, line-to-neutral	Pass screen

14.2.1.7 If the proposed Small Generating Facility is to be interconnected on single-phase shared secondary, the aggregate generation capacity on the shared secondary, including the proposed Small Generating Facility, shall not exceed 20 kW.

14.2.1.8 If the proposed Small Generating Facility is single-phase and is to be interconnected on a center tap neutral of a 240 volt service, its addition shall not create an imbalance between the two sides of the 240 volt service of more than 20% of the nameplate rating of the service transformer.

14.2.1.9 The Small Generating Facility, in aggregate with other generation interconnected to the transmission side of a substation transformer feeding the circuit where the Small Generating Facility proposes to

interconnect shall not exceed 10 MW in an area where there are known, or posted, transient stability limitations to generating units located in the general electrical vicinity (e.g., three or four transmission busses from the point of interconnection).

- 14.2.1.10** No construction of facilities by the Transmission Provider on its own system shall be required to accommodate the Small Generating Facility.
- 14.2.1.11** Any study fees shall be based on the Transmission Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.
- 14.2.1.12** The Interconnection Customer must pay any study costs that exceed the deposit without interest within thirty (30) calendar days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Transmission Provider shall refund such excess within thirty (30) calendar days of the invoice without interest.

14.2.1.13 Environmental Review.

In the event the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP, the Interconnection Request shall be subject to an Environmental Review as described in Section 14.3.4 of this GIP. The Interconnection Customer may request that the Environment Review begin any time after the Interconnection Request is accepted.

- 14.2.2** If the proposed interconnection passes the screens, the Interconnection Request shall be approved; provided however, when Western-UGP, as the Transmission Owner, is a Party to the GIA, such approval is subject to completion of the appropriate NEPA level of Environmental Review and issuance of the required NEPA decisional document as will be set forth in the GIA pursuant to Section 14.2.4. and the Transmission Provider will provide the Interconnection Customer a draft GIA within five Business Days after the determination that requires the Interconnection customer to pay the costs of such system modifications prior to interconnection. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4
- 14.2.3** If the proposed interconnection fails the screens, but both the Transmission Provider and the Transmission Owner determine that the Small Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards, the Transmission Provider shall provide the Interconnection Customer a draft GIA within five Business Days after the

determination that requires the Interconnection customer to pay the costs of such system modifications prior to interconnection. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4.

14.2.4 If the Transmission Provider identifies that Interconnection Facilities or Network Upgrades are required on the Western-UGP Transmission System, the GIA shall be subject to completion of the appropriate NEPA level of Environmental Review. Until the required NEPA decision document is issued, no construction activities relating to the transmission facilities of Western-UGP shall commence and may impact the Commercial Operation Date for the Interconnection Request. Such NEPA related restrictions, if applicable, shall be set forth in the GIA. After receiving a draft GIA from the Transmission Provider, the Interconnection Customer and the Transmission Owner shall have 30 Business Days or another mutually agreeable timeframe to sign and return the GIA, or request that the Transmission Provider file an unexecuted GIA with the Federal Energy Regulatory Commission. If the Interconnection Customer does not sign the GIA, or ask that it be filed unexecuted by the Transmission Provider within 30 Business Days, the Interconnection Request shall be deemed withdrawn. After the GIA is signed by the Parties, the interconnection of the Small Generating Facility shall proceed under the provisions of the GIA.

14.2.5 If the proposed interconnection fails the screens, *and* the Transmission Provider and Transmission Owner do not or cannot determine from the initial review that the Small Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards unless the Interconnection Customer is willing to consider minor modifications or further study, the Transmission Provider shall provide the Interconnection Customer with the opportunity to attend a customer options meeting.

14.3 Customer Options Meeting

If the Transmission Provider determines the Interconnection Request cannot be approved without (1) minor modifications at minimal cost; (2) a supplemental study or other additional studies or actions; or (3) *incurring* significant cost to address safety, reliability, or power quality problems, the Transmission Provider shall notify the Interconnection Customer *of that determination within five Business Days after the determination* and provide copies of all data and analyses underlying its conclusion. Within ten Business Days of the Transmission Provider's determination, the Transmission Provider shall offer to convene a customer options meeting with the Transmission Provider and the Transmission Owner to review possible Interconnection Customer facility modifications or the screen analysis and related results, to determine what further steps are needed to permit the Small Generating Facility to be connected safely and reliably. At the time of notification of the Transmission Provider's determination, or at the customer options meeting, the Transmission Provider/Transmission Owner shall:

- 14.3.1** Offer to perform facility modifications or minor modifications to the Transmission Owner's electric system (e.g., changing meters, fuses, relay settings) and provide a non-binding good faith estimate of the limited cost to make such modifications to the Transmission Owner's electric system. *If the Interconnection Customer agrees to pay for the modifications to the Transmission Provider's electric system, the Transmission Provider will provide the Interconnection Customer with a draft GIA within ten Business Days of the customer options meeting. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4; or*
- 14.3.2** *The Transmission Provider will offer to perform a supplemental review in accordance with Section 14.4 and provide a non-binding good faith estimate of the costs of such review; or*
- 14.3.3** *The Transmission Provider will obtain the Interconnection Customer's agreement to continue evaluating the Interconnection Request under Sections 2-13.*

14.3.4 Environmental Review.

This Section 14.3.4 applies only in the event the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP. Unless previously requested, Western-UGP shall use Reasonable Efforts to tender, within fifteen (15) Calendar Days after the customer options meeting, an Environmental Review agreement authorizing Western-UGP, at Interconnection Customer's expense, to perform environmental review of the proposed interconnection to Western-UGP's transmission facilities, including review under the National Environmental Policy Act (NEPA), 42 U.S.C. §4321, et seq., as amended, and setting forth Interconnection Customer's responsibilities in connection with such environmental review. The Environmental Review agreement shall contain a non-binding good faith estimate of the cost and timeframe for completing the Environmental Review. Interconnection Customer shall execute the environmental review agreement and return it, with the estimated funds set forth in the agreement based upon the level of Environmental Review required, to Western-UGP within thirty (30) Calendar Days after receipt by the Interconnection Customer. If an executed Environmental Review agreement and the required funds are not provided in the manner set forth above, the Interconnection Request shall be deemed withdrawn. Notwithstanding the provisions of Section 3.6, an Interconnection Customer shall have no right to cure the failure to deliver the executed Environmental Review agreement or the required funds in the timeframe identified above. If the costs incurred by Western-UGP are less than the deposit submitted by Interconnection Customer, Western-UGP shall refund the difference, without interest, as soon as the necessary vouchers are prepared. In addition, if at any time prior to the issuance of Western-UGP's final NEPA decisional document the Interconnection Customer fails to comply with the terms of the Environmental Review agreement, Western-UGP shall notify the Transmission Provider of the Interconnection

Customer's failure. Upon such notification, Transmission Provider reserves the right to deem the Interconnection Request withdrawn.

14.3.4.1 Environmental Review Procedures.

- a. After receipt of an executed Environmental Review agreement, Western-UGP shall use Reasonable Efforts to complete the study and issue a draft study report to Interconnection Customer within eighteen (18) months, or the actual time required to complete the necessary level of Environmental Review.
- b. At the request of Interconnection Customer or at any time Western-UGP determines that it will not meet the required time frame for completing the Environmental Review, Western-UGP shall notify Interconnection Customer as to the schedule status of the Environmental Review. If Western-UGP is unable to complete the Environmental Review within the time required, it shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required.
- c. Western-UGP shall notify the Transmission Provider of the schedule status of the Environmental Review.

14.4 Supplemental Review

14.4.1 *To accept the offer of a supplemental review, the Interconnection Customer shall agree in writing and submit a deposit for the estimated costs of the supplemental review in the amount of the Transmission Provider's good faith estimate of the costs of such review, both within 15 Business Days of the offer. If the written agreement and deposit have not been received by the Transmission Provider within such timeframe, the Interconnection Request shall continue to be evaluated under the study processes in Sections 2-13 of this GIP unless it is withdrawn by the Interconnection Customer.*

14.4.2 *The Interconnection Customer may specify the order in which the Transmission Provider will complete the screens in Section 14.4.4.*

14.4.3 *The Interconnection Customer shall be responsible for the Transmission Provider's actual costs for conducting the supplemental review. The Interconnection Customer must pay any review costs that exceed the deposit within 30 calendar days of receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced costs, the Transmission Provider will return such excess within 30 calendar days of the invoice without interest.*

14.4.4 *Within 30 Business Days following receipt of the deposit for a supplemental review, the Transmission Provider shall (1) perform a supplemental review using*

the screens set forth below; (2) notify in writing the Interconnection Customer of the results; and (3) include with the notification copies of the analysis and data underlying the Transmission Provider's determinations under the screens. Unless the Interconnection Customer provided instructions for how to respond to the failure of any of the supplemental review screens below at the time the Interconnection Customer accepted the offer of supplemental review, the Transmission Provider shall notify the Interconnection Customer following the failure of any of the screens, or if it is unable to perform the screen in Section 14.4.4.1, within two Business Days of making such determination to obtain the Interconnection Customer's permission to: (1) continue evaluating the proposed interconnection under this Section 14.4.4; (2) terminate the supplemental review and continue evaluating the Small Generating Facility under Section 2 through Section 13; or (3) terminate the supplemental review upon withdrawal of the Interconnection Request by the Interconnection Customer.

14.4.4.1 *Minimum Load Screen: Where 12 months of line section minimum load data (including onsite load but not station service load served by the proposed Small Generating Facility) are available, can be calculated, can be estimated from existing data, or determined from a power flow model, the aggregate Generating Facility capacity on the line section is less than 100% of the minimum load for all line sections bounded by automatic sectionalizing devices upstream of the proposed Small Generating Facility. If minimum load data is not available, or cannot be calculated, estimated or determined, the Transmission Provider shall include the reason(s) that it is unable to calculate, estimate or determine minimum load in its supplemental review results notification under Section 14.4.4.*

14.4.4.1.1 *The type of generation used by the proposed Small Generating Facility will be taken into account when calculating, estimating, or determining circuit or line section minimum load relevant for the application of screen in Section 14.4.4.1. Solar photovoltaic (PV) generation systems with no battery storage use daytime minimum load (i.e., 10 a.m. to 4 p.m. for fixed panel systems and 8 a.m. to 6 p.m. for PV systems utilizing tracking systems), while all other generation uses absolute minimum load.*

14.4.4.1.2 *When this screen is being applied to a Small Generating Facility that serves some station service load, only the net injection into the Transmission Provider's electric system will be considered as part of the aggregate generation.*

14.4.4.1.3 *Transmission Provider will not consider as part of the aggregate generation for purposes of this screen generating facility capacity known to be already reflected in the minimum load data.*

14.4.4.2 *Voltage and Power Quality Screen: In aggregate with existing generation on the line section: (1) the voltage regulation on the line section can be maintained in compliance with relevant requirements under all system conditions; (2) the voltage fluctuation is within acceptable limits as defined by Institute of Electrical and Electronics Engineers (IEEE) Standard 1453, or utility practice similar to IEEE Standard 1453; and (3) the harmonic levels meet IEEE Standard 519 limits.*

14.4.4.3 *Safety and Reliability Screen: The location of the proposed Small Generating Facility and the aggregate generation capacity on the line section do not create impacts to safety or reliability that cannot be adequately addressed without application of the Study Process. The Transmission Provider shall give due consideration to the following and other factors in determining potential impacts to safety and reliability in applying this screen.*

14.4.4.3.1 *Whether the line section has significant minimum loading levels dominated by a small number of customers (e.g., several large commercial customers).*

14.4.4.3.2 *Whether the loading along the line section is uniform or even.*

14.4.4.3.3 *Whether the proposed Small Generating Facility is located in close proximity to the substation (i.e., less than 2.5 electrical circuit miles), and whether the line section from the substation to the Point of Interconnection is a Mainline rated for normal and emergency ampacity.*

14.4.4.3.4 *Whether the proposed Small Generating Facility incorporates a time delay function to prevent reconnection of the generator to the system until system voltage and*

frequency are within normal limits for a prescribed time.

14.4.4.3.5 *Whether operational flexibility is reduced by the proposed Small Generating Facility, such that transfer of the line section(s) of the Small Generating Facility to a neighboring distribution circuit/substation may trigger overloads or voltage issues.*

14.4.4.3.6 *Whether the proposed Small Generating Facility employs equipment or systems certified by a recognized standards organization to address technical issues such as, but not limited to, islanding, reverse power flow, or voltage quality.*

14.4.5 *If the proposed interconnection passes the supplemental screens in Sections 14.4.4.1, 14.4.4.2, and 14.4.4.3 above, the Interconnection Request shall be approved; provided however, if the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP, as Transmission Owner, such approval is subject to the completion of the appropriate NEPA level of Environmental Review and issuance of the required NEPA decisional document as will be set forth in the GIA pursuant to Section 14.2.4. ~~and~~ ~~The~~ The Transmission Provider will provide the Interconnection Customer with a draft GIA within the timeframes established in Sections 14.4.5.1 and 14.4.5.2 below. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4. If the proposed interconnection fails any of the supplemental review screens and the Interconnection Customer does not withdraw its Interconnection Request, it shall continue to be evaluated under the study process in Section 3 through Section 13 consistent with Section 14.4.5.3 below.*

14.4.5.1 *If the proposed interconnection passes the supplemental screens in Sections 2.4.1.1, 2.4.1.2, and 2.4.1.3 above and does not require construction of facilities by the Transmission Provider on its own system, the draft GIA shall be provided within ten Business Days after the notification of the supplemental review results. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4.*

14.4.5.2 *If interconnection facilities or minor modifications to the Transmission Provider's system are required for the proposed interconnection to pass the supplemental screens in Sections 14.4.1.1, 14.4.1.2, and 14.4.1.3 above, and the Interconnection Customer agrees to pay for the modifications to the Transmission*

Provider's electric system, the draft GIA, along with a non-binding good faith estimate for the interconnection facilities and/or minor modifications, shall be provided to the Interconnection Customer within 15 Business Days after receiving written notification of the supplemental review results. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4.

14.4.5.3 *If the proposed interconnection would require more than interconnection facilities or minor modifications to the Transmission Provider's system to pass the supplemental screens in Sections 2.4.1.1, 2.4.1.2, and 2.4.1.3 above, the Transmission Provider shall notify the Interconnection Customer, at the same time it notifies the Interconnection Customer with the supplemental review results, that the Interconnection Request shall be evaluated under the Section 3 through Section 13 Study Process unless the Interconnection Customer withdraws its Small Generating Facility.*

APPENDIX 3 TO GIP

PRELIMINARY INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____ 20____ by and between _____ a _____ and existing under the laws of the State of _____ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System;

WHEREAS, Transmission Provider has completed an Interconnection Feasibility Study (the "Feasibility Study") and provided the results of said study to Interconnection Customer (This recital to be omitted if Transmission Provider or Interconnection Customer does not require the Interconnection Feasibility Study.); and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform a Preliminary Interconnection System Impact Study to assess the impact of interconnecting the Generating Facility to the Transmission System, and of any Affected Systems;

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

- 1.0** When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved GIP.
- 2.0** Interconnection Customer elects and Transmission Provider shall cause to be performed a Preliminary Interconnection System Impact Study consistent with Section 7.0 of this GIP in accordance with the Tariff.
- 3.0** The scope of the Preliminary Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0** The Preliminary Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study (if performed) and the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the GIP. Transmission Provider reserves the right to request additional technical

information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Preliminary Interconnection System Impact Study. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the Preliminary Interconnection System Impact Study may be extended.

5.0 The Preliminary Interconnection System Impact Study report shall provide the following information:

- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
- identification of any thermal overload or voltage limit violations resulting from the interconnection;
- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection and
- description and non-binding, good faith estimated cost of facilities required to interconnect the Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.

6.0 Interconnection Customer shall provide the deposit specified under Section 7.2 of the GIP for the performance of the Preliminary Interconnection System Impact Study. Transmission Provider's good faith estimate for the time of completion of the Preliminary Interconnection System Impact Study is [insert date].

Upon receipt of the Preliminary Interconnection System Impact Study results, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Preliminary Interconnection System Impact Study.

Any difference between the deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer in accordance with Section 7.2 of the GIP.

7.0 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 Applicability. This Agreement is subject to all applicable federal and state Laws and Regulations.

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

8.0 Notices.

8.1 General. Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

Attention: _____

8.2 Alternative Forms of Notice. Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email.

9.0 Force Majeure

9.1 Economic Hardship. Economic hardship is not considered a Force Majeure event.

9.2 Default. Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied

upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state the full details 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 due diligence 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.

10.0 Indemnity

10.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, 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 Partys' action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, to assume the defense of such claim, such indemnified person 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

10.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 10.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified

persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this

Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to 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. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Provider shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for

estimated costs exceeds the actual costs of the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 either Party will not constitute a waiver of any rights or claims either Party may have under the GIP.

14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider 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 provide notice to Interconnection Customer of a Default pursuant to Article 16. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

15.0 Representations, Warranties, and Covenants

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

15.1.1 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; 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 Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement 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).

15.1.3 No Conflict. The execution, delivery and performance of this Agreement 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.

15.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement 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 Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

16.0 Breach, Cure and Default

16.1 General. A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 Events of Breach. A Breach of this Agreement shall include:

- (a) The failure to pay any amount when due;
- (b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
- (c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;
- (d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;
- (e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or

data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

16.4 Right to Compel Performance. Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. Miscellaneous

17.1 Binding Effect. This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

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

17.3 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and

Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

- 17.4 Entire Agreement.** This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.
- 17.5 No Third Party Beneficiaries.** This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 17.6 Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.
- Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this Agreement shall, if requested, be provided in writing.
- 17.7 Headings.** The descriptive headings of the various Articles of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 17.8 Multiple Counterparts.** This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 17.9 Amendment.** The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.
- 17.10 Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

17.11 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither 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 Party.

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

[Insert name of Transmission Provider~~-or Transmission Owner, if applicable~~]

By: _____

~~By:~~ _____

Title: _____

~~Title:~~ _____

Date: _____

~~Date:~~ _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Attachment A to Appendix 3**Preliminary Interconnection System Impact
Study Agreement****ASSUMPTIONS USED IN CONDUCTING THE
PRELIMINARY INTERCONNECTION SYSTEM IMPACT STUDY**

The Preliminary Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study (if performed), subject to any modifications in accordance with Section 4.4 of the GIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

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

[Above assumptions to be completed by Interconnection Customer and other assumptions to be provided by Interconnection Customer and Transmission Provider]

**GENERATING FACILITY DATA FOR THE
PRELIMINARY INTERCONNECTION SYSTEM IMPACT STUDY****UNIT RATINGS**

Nameplate kVA _____ °F _____ Voltage _____
 Prime Mover type _____
 Power Factor: Lead _____ Lag _____
 Speed (RPM) _____ Connection (e.g. Wye) _____
 Short Circuit Ratio _____ Frequency, Hertz _____
 Stator Amperes at Rated kVA _____ Field Volts _____
 Max Turbine Power: Summer MW _____ °F _____
 Winter MW _____ °F _____

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = _____ kW sec/kVA
 Moment-of-Inertia, WR^2 = _____ lb. ft.²

REACTANCE DATA (PER UNIT-RATED KVA)**DIRECT AXIS****QUADRATURE AXIS**

Synchronous – saturated

X_{dv} _____

X_{qv} _____

Synchronous – unsaturated	X_{di}	_____	X_{qi}	_____
Transient – saturated	X'_{dv}	_____	X'_{qv}	_____
Transient – unsaturated	X'_{di}	_____	X'_{qi}	_____
Subtransient – saturated	X''_{dv}	_____	X''_{qv}	_____
Subtransient – unsaturated	X''_{di}	_____	X''_{qi}	_____
Negative Sequence – saturated	$X2_v$	_____		
Negative Sequence – unsaturated	$X2_i$	_____		
Zero Sequence – saturated	$X0_v$	_____		
Zero Sequence – unsaturated	$X0_i$	_____		
Leakage Reactance	Xl_m	_____		

FIELD TIME CONSTANT DATA (SEC)

Open Circuit	T'_{do}	_____	T'_{qo}	_____
Three-Phase Short Circuit Transient	T'_{d3}	_____	T'_q	_____
Line to Line Short Circuit Transient	T'_{d2}	_____		
Line to Neutral Short Circuit Transient	T'_{d1}	_____		
Short Circuit Subtransient	T''_d	_____	T''_q	_____
Open Circuit Subtransient	T''_{do}	_____	T''_{qo}	_____

ARMATURE TIME CONSTANT DATA (SEC)

Three Phase Short Circuit	T_{a3}	_____
Line to Line Short Circuit	T_{a2}	_____
Line to Neutral Short Circuit	T_{a1}	_____

NOTE: If requested information is not applicable, indicate by marking "N/A."

MW CAPABILITY AND PLANT CONFIGURATION GENERATING FACILITY DATA

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

Positive	R_1	_____
Negative	R_2	_____
Zero	R_0	_____

Rotor Short Time Thermal Capacity $I_2^2 t =$ _____

Field Current at Rated kVA, Armature Voltage and PF = _____ amps

Field Current at Rated kVA and Armature Voltage, 0 PF = _____ amps

Three Phase Armature Winding Capacitance = _____ microfarad
 Field Winding Resistance = _____ ohms _____ °C
 Armature Winding Resistance (Per Phase) = _____ ohms _____ °C

CURVES

Provide Saturation, Vee, Reactive Capability, Capacity Temperature Correction curves.
 Designate normal and emergency Hydrogen Pressure operating range for multiple curves.

GENERATOR STEP-UP TRANSFORMER DATA RATINGS

Capacity Self-cooled/
 Maximum Nameplate
 _____/_____ kVA

Voltage Ratio (Generator Side/System side/Tertiary)
 _____/_____/_____ kV

Winding Connections (Low V/High V/Tertiary V (Delta or Wye))
 _____/_____/_____

Fixed Taps Available _____

Present Tap Setting _____

Impedance: Positive Z_1 (on self-cooled kVA rating) _____ % _____ X/R

Impedance: Zero Z_0 (on self-cooled kVA rating) _____ % _____ X/R

EXCITATION SYSTEM DATA

Identify appropriate IEEE model block diagram of excitation system and power system stabilizer (PSS) for computer representation in power system stability simulations and the corresponding excitation system and PSS constants for use in the model.

GOVERNOR SYSTEM DATA

Identify appropriate IEEE model block diagram of governor system for computer representation in power system stability simulations and the corresponding governor system constants for use in the model.

WIND GENERATORS

Number of generators to be interconnected pursuant to this Interconnection Request:

Elevation: _____ Single Phase _____ Three Phase

Inverter manufacturer, model name, number, and version:

List of adjustable setpoints for the protective equipment or software:

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet or other compatible formats, such as IEEE and PTI power flow models, must be supplied with the Interconnection Request. If other data sheets are more appropriate to the proposed device, then they shall be provided and discussed at Scoping Meeting.

INDUCTION GENERATORS

- (*) Field Volts: _____
- (*) Field Amperes: _____
- (*) Motoring Power (kW): _____
- (*) Neutral Grounding Resistor (If Applicable): _____
- (*) I_2^2t or K (Heating Time Constant): _____
- (*) Rotor Resistance: _____
- (*) Stator Resistance: _____
- (*) Stator Reactance: _____
- (*) Rotor Reactance: _____
- (*) Magnetizing Reactance: _____
- (*) Short Circuit Reactance: _____
- (*) Exciting Current: _____
- (*) Temperature Rise: _____
- (*) Frame Size: _____
- (*) Design Letter: _____
- (*) Reactive Power Required In Vars (No Load): _____
- (*) Reactive Power Required In Vars (Full Load): _____
- (*) Total Rotating Inertia, H: _____ Per Unit on KVA Base

Note: Please consult Transmission Provider prior to submitting the Interconnection Request to determine if the information designated by (*) is required.

APPENDIX 3A TO GIP

DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____ 20____ by and between _____ a _____ and existing under the laws of the State of _____ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System;

WHEREAS, Transmission Provider has completed a Preliminary Interconnection System Impact Study and provided the results of said study to Interconnection Customer (This recital to be omitted if Interconnection Customer did not participate in Preliminary Interconnection System Impact Study); and

WHEREAS, Interconnection Customer has participated in a Preliminary Interconnection System Impact Study and wishes to participate in the Definitive Interconnection System Impact Study or has requested Transmission Provider to perform a Definitive Interconnection System Impact Study to assess the impact of interconnecting the Generating Facility to the Transmission System, and of any Affected Systems;

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

- 1.0** When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved GIP.
- 2.0** Interconnection Customer elects and Transmission Provider shall cause to be performed a Definitive Interconnection System Impact Study consistent with Section 8.0 of this GIP in accordance with the Tariff.
- 3.0** The scope of the Definitive Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0** The Definitive Interconnection System Impact Study will be based upon the results of the Preliminary Interconnection System Impact Study and the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the GIP.

Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Definitive Interconnection System Impact Study. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the Definitive Interconnection System Impact Study may be extended.

5.0 The Definitive Interconnection System Impact Study report shall provide the following information:

- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
- identification of any thermal overload or voltage limit violations resulting from the interconnection;
- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection;
- description and non-binding, good faith estimated cost of facilities required to interconnect the Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues; and
- will include a Facilities Analysis as specified in Section 8.4.4 that will provide cost estimates for Transmission Owner's Interconnection Facilities and Network Upgrades at the Point of Interconnection.

6.0 Interconnection Customer shall provide the deposit specified under Section 8.2 of the GIP for the performance of the Definitive Interconnection System Impact Study. Transmission Provider's good faith estimate for the time of completion of the Definitive Interconnection System Impact Study is [insert date].

Upon receipt of the Definitive Interconnection System Impact Study results, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Definitive Interconnection System Impact Study.

Any difference between the deposit and Interconnection Customer's study cost obligation shall be paid by or refunded to Interconnection Customer, as appropriate per Section 13.3 of the Generator Interconnection Procedures.

7.0 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 Applicability. This Agreement is subject to all applicable federal and state Laws and Regulations.

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

8.0 Notices.

8.1 General. Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

Attention: _____

8.2 Alternative Forms of Notice. Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email.

9.0 Force Majeure

9.1 Economic Hardship. Economic hardship is not considered a Force Majeure event.

9.2 Default. Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state the full details 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 due diligence 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.

10.0 Indemnity

10.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, 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 action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, to assume the defense of such claim, such indemnified person 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

10.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 10.1 may apply, the indemnified person 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 person. If the

defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this

Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to 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. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

12.0 Severability

- 12.1 Severability.** If any provision in this Agreement 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 Agreement.

13.0 Comparability

- 13.1 Comparability.** The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

- 14.1 General.** The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.
- 14.2 Study Deposits.** The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.
- 14.3 Final Invoice.** Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Provider shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for

estimated costs exceeds the actual costs of the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 either Party will not constitute a waiver of any rights or claims either Party may have under the GIP.

14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider 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 provide notice to Interconnection Customer of a Default pursuant to Article 16. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

15.0 Representations, Warranties, and Covenants

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

15.1.1 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; 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 Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement 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).

15.1.3 No Conflict. The execution, delivery and performance of this Agreement 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.

15.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement 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 Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

16.0 Breach, Cure and Default

16.1 General. A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 Events of Breach. A Breach of this Agreement shall include:

- (a) The failure to pay any amount when due;
- (b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
- (c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;
- (d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;
- (e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

16.4 Right to Compel Performance. Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. Miscellaneous

17.1 Binding Effect. This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

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

17.3 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

- 17.4 Entire Agreement.** This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.
- 17.5 No Third Party Beneficiaries.** This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 17.6 Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.
- Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this Agreement shall, if requested, be provided in writing.
- 17.7 Headings.** The descriptive headings of the various Articles of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 17.8 Multiple Counterparts.** This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 17.9 Amendment.** The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.
- 17.10 Modification by the Parties.** The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.
- 17.11 No Partnership.** This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither 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 Party.

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

[Insert name of Transmission Provider~~-or Transmission Owner, if applicable~~]

By: _____

~~By: _____~~

Title: _____

~~Title: _____~~

Date: _____

~~Date: _____~~

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Attachment A to Appendix 3A**Definitive Interconnection System Impact
Study Agreement****ASSUMPTIONS USED IN CONDUCTING THE
DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY**

The Definitive Interconnection System Impact Study will be based upon the information set forth in the Interconnection Requests and results of applicable prior studies, subject to any modifications in accordance with Section 4.4 of the GIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

[Above assumptions to be completed by Interconnection Customer and other assumptions to be provided by Interconnection Customer, Transmission Owner and Transmission Provider]

**GENERATING FACILITY DATA FOR THE
DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY****UNIT RATINGS**

Nameplate kVA _____ °F _____ Voltage _____
 Prime Mover type _____
 Power Factor: Lead _____ Lag _____
 Speed (RPM) _____ Connection (e.g. Wye) _____
 Short Circuit Ratio _____ Frequency, Hertz _____
 Stator Amperes at Rated kVA _____ Field Volts _____
 Max Turbine Power: Summer MW _____ °F _____
 Winter MW _____ °F _____

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = _____ kW sec/kVA
 Moment-of-Inertia, WR^2 = _____ lb. ft.²

REACTANCE DATA (PER UNIT-RATED KVA)

	DIRECT AXIS	QUADRATURE AXIS
Synchronous – saturated	X_{dv} _____	X_{qv} _____
Synchronous – unsaturated	X_{di} _____	X_{qi} _____
Transient – saturated	X'_{dv} _____	X'_{qv} _____
Transient – unsaturated	X'_{di} _____	X'_{qi} _____

Subtransient – saturated	X''_{dv}	_____	X''_{qv}	_____
Subtransient – unsaturated	X''_{di}	_____	X''_{qi}	_____
Negative Sequence – saturated	$X2_v$	_____		
Negative Sequence – unsaturated	$X2_i$	_____		
Zero Sequence – saturated	$X0_v$	_____		
Zero Sequence – unsaturated	$X0_i$	_____		
Leakage Reactance	Xl_m	_____		

FIELD TIME CONSTANT DATA (SEC)

Open Circuit	T'_{do}	_____	T'_{qo}	_____
Three-Phase Short Circuit Transient	T'_{d3}	_____	T'_q	_____
Line to Line Short Circuit Transient	T'_{d2}	_____		
Line to Neutral Short Circuit Transient	T'_{d1}	_____		
Short Circuit Subtransient	T''_d	_____	T''_q	_____
Open Circuit Subtransient	T''_{do}	_____	T''_{qo}	_____

ARMATURE TIME CONSTANT DATA (SEC)

Three Phase Short Circuit	T_{a3}	_____
Line to Line Short Circuit	T_{a2}	_____
Line to Neutral Short Circuit	T_{a1}	_____

NOTE: If requested information is not applicable, indicate by marking "N/A."

MW CAPABILITY AND PLANT CONFIGURATION GENERATING FACILITY DATA

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

Positive	R_1	_____
Negative	R_2	_____
Zero	R_0	_____

Rotor Short Time Thermal Capacity $I_2^2 t =$ _____

Field Current at Rated kVA, Armature Voltage and PF = _____ amps

Field Current at Rated kVA and Armature Voltage, 0 PF = _____ amps

Three Phase Armature Winding Capacitance = _____ microfarad

Field Winding Resistance = _____ ohms _____ °C

Armature Winding Resistance (Per Phase) = _____ ohms _____ °C

CURVES

Provide Saturation, Vee, Reactive Capability, Capacity Temperature Correction curves. Designate normal and emergency Hydrogen Pressure operating range for multiple curves.

GENERATOR STEP-UP TRANSFORMER DATA RATINGS

Capacity Self-cooled/
Maximum Nameplate
_____/_____ kVA

Voltage Ratio (Generator Side/System side/Tertiary)
_____/_____/_____ kV

Winding Connections (Low V/High V/Tertiary V (Delta or Wye))
_____/_____/_____

Fixed Taps Available _____

Present Tap Setting _____

Impedance: Positive Z_1 (on self-cooled kVA rating) _____ % _____ X/R

Impedance: Zero Z_0 (on self-cooled kVA rating) _____ % _____ X/R

EXCITATION SYSTEM DATA

Identify appropriate IEEE model block diagram of excitation system and power system stabilizer (PSS) for computer representation in power system stability simulations and the corresponding excitation system and PSS constants for use in the model.

GOVERNOR SYSTEM DATA

Identify appropriate IEEE model block diagram of governor system for computer representation in power system stability simulations and the corresponding governor system constants for use in the model.

WIND GENERATORS

Number of generators to be interconnected pursuant to this Interconnection Request:

Elevation: _____ Single Phase _____ Three Phase

Inverter manufacturer, model name, number, and version:

List of adjustable setpoints for the protective equipment or software:

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet or other compatible formats, such as IEEE and PTI power flow models, must be supplied with the Interconnection Request. If other data sheets are more appropriate to the proposed device, then they shall be provided and discussed at Scoping Meeting.

INDUCTION GENERATORS

- (*) Field Volts: _____
- (*) Field Amperes: _____
- (*) Motoring Power (kW): _____
- (*) Neutral Grounding Resistor (If Applicable): _____
- (*) I_2^2t or K (Heating Time Constant): _____
- (*) Rotor Resistance: _____
- (*) Stator Resistance: _____
- (*) Stator Reactance: _____
- (*) Rotor Reactance: _____
- (*) Magnetizing Reactance: _____
- (*) Short Circuit Reactance: _____
- (*) Exciting Current: _____
- (*) Temperature Rise: _____
- (*) Frame Size: _____
- (*) Design Letter: _____
- (*) Reactive Power Required In Vars (No Load): _____
- (*) Reactive Power Required In Vars (Full Load): _____
- (*) Total Rotating Inertia, H: _____ Per Unit on KVA Base

Note: Please consult Transmission Provider prior to submitting the Interconnection Request to determine if the information designated by (*) is required.

APPENDIX 4 TO GIP

INTERCONNECTION FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ of _____ 20__ by and between _____ a _____ and existing under the laws of the State of _____ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System;

WHEREAS, Transmission Provider has completed a Definitive Interconnection System Impact Study (the "System Impact Study") and provided the results of said study to Interconnection Customer; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform an Interconnection Facilities Study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Definitive Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility to the Transmission System.

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

- 1.0** When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved GIP.
- 2.0** Interconnection Customer elects and Transmission Provider shall cause an Interconnection Facilities Study consistent with Section 8.0 of this GIP to be performed in accordance with the Tariff.
- 3.0** The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A and the data provided in Attachment B to this Agreement.
- 4.0** The Interconnection Facilities Study report (i) shall provide a description, estimated cost of (consistent with Attachment A), schedule for required facilities to interconnect the Generating Facility to the Transmission System and (ii)

shall address the short circuit, instability, and power flow issues identified in the Definitive Interconnection System Impact Study.

- 5.0** Interconnection Customer shall meet the milestone requirements specified under Section 8.9 of the GIP prior to the performance of the Interconnection Facilities Study. The time for completion of the Interconnection Facilities Study is specified in Attachment A.

Transmission Provider shall invoice Interconnection Customer on a monthly basis for the work to be conducted on the Interconnection Facilities Study each month. Interconnection Customer shall pay invoiced amounts within thirty (30) Calendar Days of receipt of invoice. Transmission Provider shall continue to hold the amounts on deposit until settlement of the final invoice. Any difference between the applicable deposits specified under Section 8.2 of the GIP and Interconnection Customer's share of study costs shall be paid by or refunded to Interconnection Customer, as appropriate per Section 13.3 of the GIP.

- 6.0** **Reserved.**

- 7.0** **Governing Law**

- 7.1** **Governance.** The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

- 7.2** **Applicability.** This Agreement is subject to all applicable federal and state Laws and Regulations.

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

- 8.0** **Notices.**

- 8.1** **General.** Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive

Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

Attention: _____

8.2 Alternative Forms of Notice. Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email.

9.0 Force Majeure

9.1 Economic Hardship. Economic hardship is not considered a Force Majeure event.

9.2 Default. Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state the full details 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 due diligence 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.

10.0 Indemnity

10.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, 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 Parties' action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

- 10.1.1 Indemnified Person.** If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, to assume the defense of such claim, such indemnified person 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.
- 10.1.2 Indemnifying Party.** If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.
- 10.1.3 Indemnity Procedures.** Promptly after receipt by an indemnified person 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 10.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding

involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to 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. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Provider shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 either Party will not constitute a waiver of any rights or claims either Party may have under the GIP.

14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider 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 provide notice to Interconnection Customer of a Default pursuant to Article 16. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

15.0 Representations, Warranties, and Covenants

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

15.1.1 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; 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 Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement 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).

15.1.3 No Conflict. The execution, delivery and performance of this Agreement 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.

15.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement 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 Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

16.0 Breach, Cure and Default

16.1 General. A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 Events of Breach. A Breach of this Agreement shall include:

- (a) The failure to pay any amount when due;
- (b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
- (c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;
- (d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;
- (e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the "Non-Breaching Party"), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the "Breaching Party") and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

- 16.4 Right to Compel Performance.** Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.
- 17. Miscellaneous**
- 17.1 Binding Effect.** This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 17.2 Conflicts.** In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 17.3 Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.
- 17.4 Entire Agreement.** This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.
- 17.5 No Third Party Beneficiaries.** This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

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

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

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

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

17.9 Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.

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

17.11 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither 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 Party.

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

[Insert name of Transmission Provider ~~or Transmission Owner, if applicable~~]

By:	_____	By:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

**Attachment A To Appendix 4
Interconnection Facilities
Study Agreement**

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

Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within the following number of days after receipt of an executed copy of this Interconnection Facilities Study Agreement:

- ninety (90) Calendar Days with no more than a +/- 20 percent cost estimate contained in the report.

**Attachment B to Appendix 4
Interconnection Facilities
Study Agreement**

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

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

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

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

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

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

_____ Yes _____ No

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

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

What protocol does the control system or PLC use?

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

Physical dimensions of the proposed interconnection station:

Bus length from generation to interconnection station:

Line length from interconnection station to Transmission Provider's transmission line.

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

Number of third party easements required for transmission lines*:

* To be completed in coordination with Transmission Provider.

Is the Generating Facility in the Transmission Provider's service area?

_____ Yes _____ No Local provider: _____

Please provide proposed schedule dates:

Begin Construction Date: _____

Generator step-up transformer Date: _____

receives back feed power

Generation Testing Date: _____

Commercial Operation Date: _____

APPENDIX 4A TO GIP

LIMITED OPERATION INTERCONNECTION FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ of _____ 20__ by and between _____ a _____ and existing under the laws of the State of _____ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System;

WHEREAS, Transmission Provider has completed a Definitive Interconnection System Impact Study (the "System Impact Study") that requires Limited Operation in accordance with Section 8.4.3 as being necessary for the Interconnection Request and has provided the results of said study to Interconnection Customer; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform an Interconnection Facilities Study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Definitive Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility to the Transmission System.

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

- 1.0** When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved GIP.
- 2.0** Interconnection Customer elects and Transmission Provider shall cause an Interconnection Facilities Study consistent with Section 8.0 of this GIP to be performed in accordance with the Tariff.
- 3.0** The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A and the data provided in Attachment B to this Agreement.
- 4.0** The Interconnection Facilities Study report (i) shall provide a description, estimated cost of (consistent with Attachment A), schedule for required facilities

to interconnect the Generating Facility to the Transmission System and (ii) shall address the short circuit, instability, and power flow issues identified in the Definitive Interconnection System Impact Study.

- 5.0** Interconnection Customer shall meet the milestone requirements specified under Section 8.9 of the GIP prior to the performance of the Interconnection Facilities Study. The time for completion of the Interconnection Facilities Study is specified in Attachment A.

Transmission Provider shall invoice Interconnection Customer on a monthly basis for the work to be conducted on the Interconnection Facilities Study each month. Interconnection Customer shall pay invoiced amounts within thirty (30) Calendar Days of receipt of invoice. Transmission Provider shall continue to hold the amounts on deposit until settlement of the final invoice. Any difference between the applicable deposits specified under Section 8.2 of the GIP and Interconnection Customer's share of study costs shall be paid by or refunded to Interconnection Customer, as appropriate per Section 8.9 of the GIP.

- 6.0** Conditions for Limited Operation. Interconnection Customer agrees to the following conditions:

1. The Generating Facility will be allowed to operate under Limited Operation in accordance with Section 8.4.3 of the GIP before a Network Upgrades previously approved for construction under Section VI of Attachment O of this Tariff ("Previously Approved Network Upgrade") is placed into service;
2. The Interconnection Customer will meet all requirements of the GIP; *and*
3. The Interconnection Customer will provide financial security and authorize engineering, procurement, and construction of its cost assigned Network Upgrades and interconnection facilities no later than thirty (30) days after the effective date of the GIA.

7.0 Governing Law

- 7.1 Governance.** The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

- 7.2 Applicability.** This Agreement is subject to all applicable federal and state Laws and Regulations.

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

8.0 Notices.

- 8.1 General.** Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

Attention: _____

- 8.2 Alternative Forms of Notice.** Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email.

9.0 Force Majeure

- 9.1 Economic Hardship.** Economic hardship is not considered a Force Majeure event.

- 9.2 Default.** Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state the full details 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 due diligence 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.

10.0 Indemnity

10.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, 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 Partys' action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, to assume the defense of such claim, such indemnified person 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

10.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 10.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the

indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured

party, trustee or mortgagee to 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. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Provider shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 either Party will not constitute a waiver of any rights or claims either Party may have under the GIP.

14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider 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 provide notice to Interconnection Customer of a Default pursuant to Article 16. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

15.0 Representations, Warranties, and Covenants

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

15.1.1 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; 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 Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement 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).

15.1.3 No Conflict. The execution, delivery and performance of this Agreement 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.

15.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement 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 Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

16.0 Breach, Cure and Default

16.1 General. A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 Events of Breach. A Breach of this Agreement shall include:

- (a) The failure to pay any amount when due;
- (b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
- (c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;
- (d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;
- (e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

- 16.3 Cure and Default.** Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.
- 16.4 Right to Compel Performance.** Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.
- 17. Miscellaneous**
- 17.1 Binding Effect.** This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 17.2 Conflicts.** In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 17.3 Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

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

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

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

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

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

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

17.9 Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.

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

17.11 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the

Parties or to impose any partnership obligation or partnership liability upon either Party. Neither 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 Party.

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

[Insert name of Transmission Provider~~-or Transmission Owner, if applicable~~]

By: _____

~~By: _____~~

Title: _____

~~Title: _____~~

Date: _____

~~Date: _____~~

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

**Attachment A To Appendix 4A
Limited Operation
Interconnection Facilities
Study Agreement**

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

Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within the following number of days after receipt of an executed copy of this Interconnection Facilities Study Agreement:

- ninety (90) Calendar Days with no more than a +/- 20 percent cost estimate contained in the report.

**Attachment B to Appendix 4A
Limited Operation
Interconnection Facilities
Study Agreement**

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

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

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

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

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

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

_____ Yes _____ No

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

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

What protocol does the control system or PLC use?

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

Physical dimensions of the proposed interconnection station:

Bus length from generation to interconnection station:

Line length from interconnection station to Transmission Provider's transmission line.

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

Number of third party easements required for transmission lines*:

* To be completed in coordination with Transmission Provider.

Is the Generating Facility in the Transmission Provider's service area?

_____ Yes _____ No Local provider: _____

Please provide proposed schedule dates:

Begin Construction Date: _____

Generator step-up transformer Date: _____

receives back feed power

Generation Testing Date: _____

Commercial Operation Date: _____

APPENDIX 5 TO GIP

INTERIM AVAILABILITY INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____ 20____ by and between _____ a _____ and existing under the laws of the State of _____ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("Transmission Provider"). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Interconnection Customer has a fully executed Definitive Interconnection System Impact Study Agreement and has submitted all requirements and milestones to be included in the Definitive Interconnection System Impact Study Queue;

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System on an interim basis before all such required studies under the GIP can be completed;

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

- 1.0** When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved GIP.
- 2.0** Interconnection Customer elects and Transmission Provider shall cause to be performed an Interim Availability Interconnection System Impact Study as described in Section 11A.2.4.1 of this GIP.
- 3.0** The scope of the Interim Availability Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0** The Interim Availability Interconnection System Impact Study will be based upon the technical information provided by Interconnection Customer in the Interconnection Request. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interim Availability Interconnection System Impact Study.

5.0 The Interim Availability Interconnection System Impact Study report shall provide the following information:

- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
- identification of any thermal overload or voltage limit violations resulting from the interconnection;
- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection and
- description and non-binding, good faith estimated cost of facilities required to interconnect the Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.

6.0 Interconnection Customer shall provide the deposit specified under Section 8.2 of the GIP for the performance of the Interim Availability Interconnection System Impact Study. Transmission Provider's good faith estimate for the time of completion of the Interim Availability Interconnection System Impact Study is [insert date].

Upon receipt of the Interim Availability Interconnection System Impact Study results, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interim Availability Interconnection System Impact Study.

Any difference between the deposit and Interconnection Customer's study cost obligation shall be paid by or refunded to Interconnection Customer, as appropriate per Section 13.3 of the Generator Interconnection Procedures.

7.0 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 Applicability. This Agreement is subject to all applicable federal and state Laws and Regulations.

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

8.0 Notices.

- 8.1 General.** Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

Attention: _____

- 8.2 Alternative Forms of Notice.** Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email.

9.0 Force Majeure

- 9.1 Economic Hardship.** Economic hardship is not considered a Force Majeure event.

- 9.2 Default.** Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state the full details 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 due diligence 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.

10.0 Indemnity

10.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, 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 action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, to assume the defense of such claim, such indemnified person 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

10.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 10.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to 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. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Provider shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 either Party will not constitute a waiver of any rights or claims either Party may have under the GIP.

14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider 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 provide notice to Interconnection Customer of a Default pursuant to Article 16. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

15.0 Representations, Warranties, and Covenants

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

15.1.1 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; 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 Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement 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).

15.1.3 No Conflict. The execution, delivery and performance of this Agreement 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.

15.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement 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 Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

16.0 Breach, Cure and Default

16.1 General. A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 Events of Breach. A Breach of this Agreement shall include:

- (a) The failure to pay any amount when due;
- (b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
- (c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;
- (d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;
- (e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the "Non-Breaching Party"), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the "Breaching Party") and to any other person a Party to this Agreement identifies in

writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

- 16.4 Right to Compel Performance.** Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. Miscellaneous

- 17.1 Binding Effect.** This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

- 17.2 Conflicts.** In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.

- 17.3 Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

- 17.4 Entire Agreement.** This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and

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

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

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

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

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

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

17.9 Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.

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

17.11 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither 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 Party.

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

[Insert name of Transmission Provider ~~or Transmission Owner, if applicable~~]

By: _____

~~By: _____~~

Title: _____

~~Title: _____~~

Date: _____

~~Date: _____~~

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Attachment A to Appendix 5
Interim Availability Interconnection System Impact
Study Agreement

ASSUMPTIONS USED IN CONDUCTING THE
INTERIM AVAILABILITY INTERCONNECTION SYSTEM IMPACT STUDY

The Interim Availability Interconnection System Impact Study will be based upon the information set forth in the Interconnection Requests and results of applicable prior studies, subject to any modifications in accordance with Section 4.4 of the GIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

[Above assumptions to be completed by Interconnection Customer and other assumptions to be provided by Interconnection Customer, Transmission Owner and Transmission Provider]

GENERATING FACILITY DATA FOR THE
INTERIM AVAILABILITY INTERCONNECTION SYSTEM IMPACT STUDY

UNIT RATINGS

Nameplate kVA _____ °F _____ Voltage _____
 Prime Mover type _____
 Power Factor: Lead _____ Lag _____
 Speed (RPM) _____ Connection (e.g. Wye) _____
 Short Circuit Ratio _____ Frequency, Hertz _____
 Stator Amperes at Rated kVA _____ Field Volts _____
 Max Turbine Power: Summer MW _____ °F _____
 Winter MW _____ °F _____

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = _____ kW sec/kVA
 Moment-of-Inertia, WR^2 = _____ lb. ft.²

REACTANCE DATA (PER UNIT-RATED KVA)

DIRECT AXIS

QUADRATURE AXIS

Synchronous – saturated

X_{dv} _____

X_{qv} _____

Synchronous – unsaturated	X_{di}	_____	X_{qi}	_____
Transient – saturated	X'_{dv}	_____	X'_{qv}	_____
Transient – unsaturated	X'_{di}	_____	X'_{qi}	_____
Subtransient – saturated	X''_{dv}	_____	X''_{qv}	_____
Subtransient – unsaturated	X''_{di}	_____	X''_{qi}	_____
Negative Sequence – saturated	X_{2v}	_____		
Negative Sequence – unsaturated	X_{2i}	_____		
Zero Sequence – saturated	X_{0v}	_____		
Zero Sequence – unsaturated	X_{0i}	_____		
Leakage Reactance	X_{lm}	_____		

FIELD TIME CONSTANT DATA (SEC)

Open Circuit	T'_{do}	_____	T'_{qo}	_____
Three-Phase Short Circuit Transient	T'_{d3}	_____	T'_q	_____
Line to Line Short Circuit Transient	T'_{d2}	_____		
Line to Neutral Short Circuit Transient	T'_{d1}	_____		
Short Circuit Subtransient	T''_d	_____	T''_q	_____
Open Circuit Subtransient	T''_{do}	_____	T''_{qo}	_____

ARMATURE TIME CONSTANT DATA (SEC)

Three Phase Short Circuit	T_{a3}	_____
Line to Line Short Circuit	T_{a2}	_____
Line to Neutral Short Circuit	T_{a1}	_____

NOTE: If requested information is not applicable, indicate by marking "N/A."

MW CAPABILITY AND PLANT CONFIGURATION GENERATING FACILITY DATA

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

Positive	R_1	_____
Negative	R_2	_____
Zero	R_0	_____

Rotor Short Time Thermal Capacity $I_2^2 t =$ _____

Field Current at Rated kVA, Armature Voltage and PF = _____ amps

Field Current at Rated kVA and Armature Voltage, 0 PF = _____ amps

Three Phase Armature Winding Capacitance = _____ microfarad
 Field Winding Resistance = _____ ohms _____ °C
 Armature Winding Resistance (Per Phase) = _____ ohms _____ °C

CURVES

Provide Saturation, Vee, Reactive Capability, Capacity Temperature Correction curves.
 Designate normal and emergency Hydrogen Pressure operating range for multiple curves.

GENERATOR STEP-UP TRANSFORMER DATA RATINGS

Capacity _____ Self-cooled/
 Maximum Nameplate
 / _____ kVA

Voltage Ratio (Generator Side/System side/Tertiary)
 / _____ / _____ kV

Winding Connections (Low V/High V/Tertiary V (Delta or Wye))
 / _____ / _____

Fixed Taps Available _____

Present Tap Setting _____

Impedance: Positive Z_1 (on self-cooled kVA rating) % X/R

Impedance: Zero Z_0 (on self-cooled kVA rating) % X/R

EXCITATION SYSTEM DATA

Identify appropriate IEEE model block diagram of excitation system and power system stabilizer (PSS) for computer representation in power system stability simulations and the corresponding excitation system and PSS constants for use in the model.

GOVERNOR SYSTEM DATA

Identify appropriate IEEE model block diagram of governor system for computer representation in power system stability simulations and the corresponding governor system constants for use in the model.

WIND GENERATORS

Number of generators to be interconnected pursuant to this Interconnection Request:

Elevation: _____ Single Phase _____ Three Phase

Inverter manufacturer, model name, number, and version:

List of adjustable setpoints for the protective equipment or software:

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet or other compatible formats, such as IEEE and PTI power flow models, must be supplied with the Interconnection Request. If other data sheets are more appropriate to the proposed device, then they shall be provided and discussed at Scoping Meeting.

INDUCTION GENERATORS

- (*) Field Volts: _____
- (*) Field Amperes: _____
- (*) Motoring Power (kW): _____
- (*) Neutral Grounding Resistor (If Applicable): _____
- (*) I_2^2t or K (Heating Time Constant): _____
- (*) Rotor Resistance: _____
- (*) Stator Resistance: _____
- (*) Stator Reactance: _____
- (*) Rotor Reactance: _____
- (*) Magnetizing Reactance: _____
- (*) Short Circuit Reactance: _____
- (*) Exciting Current: _____
- (*) Temperature Rise: _____
- (*) Frame Size: _____
- (*) Design Letter: _____
- (*) Reactive Power Required In Vars (No Load): _____
- (*) Reactive Power Required In Vars (Full Load): _____
- (*) Total Rotating Inertia, H: _____ Per Unit on KVA Base

Note: Please consult Transmission Provider prior to submitting the Interconnection Request to determine if the information designated by (*) is required.

APPENDIX 9 TO GIP

CERTIFICATION CODES AND STANDARDS

Certification and interconnection of Interconnection Customer's facilities with Transmission Owner's facilities shall be governed by all applicable local, state and federal statutes and regulations. In addition, Interconnection Customer's facilities shall be installed in accordance with all provisions set forth in Transmission Owner's Facility Connection Standard, Transmission Owner Service Standard and the National Electrical Safety Code (ANSI2), National Electrical Code (NFPA70), North American Electric Reliability Council (NERC), Regional Reliability Councils, American National Standards Institute (ANSI), Institute of Electrical and Electronics Engineers (IEEE), or other regulatory or governing body having jurisdiction. Connection of Interconnection Customer's facilities with Transmission Owner's facilities shall further be governed by any applicable statute, rule, order, provision, guide, or code of an organization, council, institute, regulatory or governing body having jurisdiction over such matters.

A sample list of such requirements is shown below (Note this list is not all-inclusive and the entities responsible for these requirements may update them at any time. The current versions shall be applicable.):

IEEE1547 Standard for Interconnecting Distributed Resources with Electric Power Systems (including use of IEEE 1547.1 testing protocols to establish conformity)

UL 1741 Inverters, Converters, and Controllers for Use in Independent Power Systems

IEEE Std 929-2000 IEEE Recommended Practice for Utility Interface of Photovoltaic (PV) Systems

NFPA 70 (2002), National Electrical Code

IEEE Std C37.90.1-1989 (R1994), IEEE Standard Surge Withstand Capability (SWC) Tests for Protective Relays and Relay Systems

IEEE Std C37.90.2 (1995), IEEE Standard Withstand Capability of Relay Systems to Radiated Electromagnetic Interference from Transceivers

IEEE Std C37.108-1989 (R2002), IEEE Guide for the Protection of Network Transformers

IEEE Std C57.12.44-2000, IEEE Standard Requirements for Secondary Network Protectors

IEEE Std C62.41.2-2002, IEEE Recommended Practice on Characterization of Surges in Low Voltage (1000V and Less) AC Power Circuits

IEEE Std C62.45-1992 (R2002), IEEE Recommended Practice on Surge Testing for Equipment Connected to Low-Voltage (1000V and Less) AC Power Circuits

ANSI C84.1-1995 Electric Power Systems and Equipment – Voltage Ratings (60 Hertz)

IEEE Std 100-2000, IEEE Standard Dictionary of Electrical and Electronic Terms

NEMA MG 1-1998, Motors and Small Resources, Revision 3

IEEE Std 519-1992, IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems

NEMA MG 1-2003 (Rev 2004), Motors and Generators, Revision 1

APPENDIX 13 TO THE GENERATOR INTERCONNECTION PROCEDURES

GENERATOR INTERCONNECTION AGREEMENT (GIA)

(For use when Western-UGP is a Party to the GIA, as the Transmission Owner)

TABLE OF CONTENTS

Recitals

Article 1. Definitions

Article 2. Effective Date, Term, and Termination

2.1 Effective Date

2.2 Term of Agreement

2.3 Termination Procedures

2.3.1 Written Notice

2.3.2 Default

2.4 Termination Costs

2.5 Disconnection

2.6 Survival

Article 3. Regulatory Filings

3.1 Filing

Article 4. Scope of Service

4.1 Interconnection Product Options

4.1.1 Energy Resource Interconnection Service

4.1.1.1 The Product

4.1.1.2 Transmission Delivery Service Implications

4.1.2 Network Resource Interconnection Service

4.1.2.1 The Product

4.1.2.2 Transmission Delivery Service Implications

4.2 Provision of Service

4.3 Performance Standards

4.4 No Transmission Delivery Service

4.5 Interconnection Customer Provided Services

Article 5. Interconnection Facilities Engineering, Procurement, and Construction

5.1 Options

5.1.1 Standard Option

5.1.2 Option to Build

5.1.3 Negotiated Option

5.2 General Conditions Applicable to Option to Build

5.3 Reserved

5.4 Power System Stabilizers

5.5 Equipment Procurement

5.6 Construction Commencement

5.7 Work Progress

5.8 Information Exchange

5.9 Limited Operation

5.10 Interconnection Customer's Interconnection Facilities ('ICIF')

5.10.1 Interconnection Customer's Interconnection Facility Specifications

5.10.2 Transmission Owner's Review

5.10.3 ICIF Construction

5.10.4 Updated Information Submission by Interconnection Customer

5.10.5 Information Supplementation

5.11 Transmission Owner's Interconnection Facilities Construction

5.12 Access Rights

5.13 Lands of Other Property Owners

5.14 Permits

5.15 Early Construction of Base Case Facilities

5.16 Suspension

5.16.2 Exemptions

5.17 Reserved

5.18 Tax Status

5.19 Modification

5.19.1 General

5.19.2 Standards

5.19.3 Modification Costs

5.20 Delays

Article 6. Testing and Inspection

6.1 Pre-Commercial Operation Date Testing and Modifications

6.2 Post-Commercial Operation Date Testing and Modifications

6.3 Right to Observe Testing

6.4 Right to Inspect

Article 7. Metering

7.1 General

7.2 Check Meters

7.3 Standards

7.4 Testing of Metering Equipment

7.5 Metering Data

Article 8. Communications

8.1 Interconnection Customer Obligations

8.2 Remote Terminal Unit

8.3 No Annexation

8.4 Provision of Data from a Variable Energy Resource

Article 9. Operations

9.1 General

9.2 Control Area Notification

9.3 Transmission Provider and Transmission Owner Obligations

9.4 Interconnection Customer Obligations

9.5 Start-Up and Synchronization

9.6 Reactive Power

9.6.1 Power Factor Design Criteria

9.6.2 Voltage Schedules

9.6.2.1 Governors and Regulators

9.6.3 Payment for Reactive Power

9.7 Outages and Interruptions

9.7.1 Outages

9.7.1.1 Outage Authority and Coordination

9.7.1.2 Outage Schedules

9.7.1.3 Outage Restoration

9.7.2 Interruption of Service

9.7.3 Under-Frequency and Over Frequency Conditions

9.7.4 System Protection and Other Control Requirements

9.7.4.1 System Protection Facilities

9.7.5 Requirements for Protection

9.7.6 Power Quality

9.8 Switching and Tagging Rules

9.9 Use of Interconnection Facilities by Third Parties

9.9.1 Purpose of Interconnection Facilities

9.9.2 Third Party Users

9.10 Disturbance Analysis Data Exchange

Article 10. Maintenance

10.1 Transmission Owner Obligations

10.2 Interconnection Customer Obligations

10.3 Coordination

10.4 Secondary Systems

10.5 Operating and Maintenance Expenses

Article 11. Performance Obligation

11.1 Interconnection Customer Interconnection Facilities

11.2 Generating Facility

11.3 Transmission Owner's Interconnection Facilities

11.4 Network Upgrades and Distribution Upgrades

11.5 Transmission Credits

11.5.1 Credits for Amounts Advanced for Network Upgrades

11.5.2 Special Provisions for Affected Systems

11.6 Initial Payment

11.7 Provision of Security

11.8 Advance Payment

11.9 Interconnection Customer Compensation

11.9.1 Interconnection Customer Compensation for Actions During
Emergency Condition

Article 12. Invoice

12.1 General

12.2 Final Invoice

12.3 Payment

12.4 Disputes

Article 13. Emergencies

13.1 Definition

13.2 Obligations

13.3 Notice

13.4 Immediate Action

13.5 Transmission Provider and Transmission Owner Authority

13.5.1 General

13.5.2 Reduction and Disconnection

13.6 Interconnection Customer Authority

13.7 Limited Liability

Article 14. Regulatory Requirements and Governing Law

14.1 Regulatory Requirements

14.2 Governing Law

Article 15. Notices

15.1 General

15.2 Billings and Payments

15.3 Alternative Forms of Notice

15.4 Operations and Maintenance Notice

Article 16. Force Majeure

16.1 Force Majeure

Article 17. Default

17.1 Default

17.1.1 General

17.1.2 Right to Terminate

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity

18.1.1 Indemnified Person

18.1.2 Indemnifying Party

18.1.3 Indemnity Procedures

18.2 Consequential Damages

18.3 Interconnection Customer Insurance

18.4 Transmission Owner Insurance

Article 19. Assignment

19.1 Assignment

Article 20. Severability

20.1 Severability

Article 21. Comparability

21.1 Comparability

Article 22. Confidentiality

22.1 Confidentiality

22.1.1 Term

22.1.2 Scope

22.1.3 Release of Confidential Information

22.1.4 Rights

22.1.5 No Warranties

22.1.6 Standard of Care

22.1.7 Order of Disclosure

22.1.8 Termination of Agreement

22.1.9 Remedies

22.1.10 Disclosure to FERC, its Staff, or a State

Article 23. Environmental Releases

Article 24. Information Requirements

24.1 Information Acquisition

24.2 Information Submission by Transmission Provider

Article 25. Information Access and Audit Rights

25.1 Information Access

25.2 Reporting of Non-Force Majeure Events

25.3 Audit Rights

25.4 Audit Rights Periods

25.4.1 Audit Rights Period for Construction-Related Accounts and Records

25.4.2 Audit Rights Period for All Other Accounts and Records

25.5 Audit Results

Article 26. Subcontractors

26.1 General

26.2 Responsibility of Principal

26.3 No Limitation by Insurance

Article 27. Disputes

27.1 Submission

Article 28. Representations, Warranties, and Covenants

28.1 General

28.1.1 Good Standing

28.1.2 Authority

28.1.3 No Conflict

28.1.4 Consent and Approval

Article 29. Joint Operating Committee

29.1 Joint Operating Committee

Article 30. Miscellaneous

30.1 Binding Effect

30.2 Conflicts

30.3 Rules of Interpretation

30.4 Entire Agreement

30.5 No Third Party Beneficiaries

30.6 Waiver

30.7 Headings

30.8 Multiple Counterparts

30.9 Amendment

30.10 Modification by the Parties

30.11 Reservation of Rights

30.12 No Partnership

Appendix A - Interconnection Facilities, Network 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 – Requirements of Generators Relying on Newer Technologies

GENERATOR INTERCONNECTION AGREEMENT

THIS GENERATOR INTERCONNECTION AGREEMENT

("Agreement") is made and entered into this ____ day of _____ 20____, by and among _____, a _____ organized and existing under the laws of the State/Commonwealth of _____ ("Interconnection Customer" with a Generating Facility), Southwest Power Pool, Inc., a corporation organized and existing under the laws of the State of Arkansas ("Transmission Provider") and Western Area Power Administration-Upper Great Plains Region ("Western-UGP"), a Federal power marketing agency organized under the United States Department of Energy ("Transmission Owner"). Interconnection Customer, Transmission Provider and Transmission Owner each may be referred to as a "Party" or collectively as the "Parties."

Recitals

WHEREAS, Transmission Provider functionally controls the operation of 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 C to this Agreement; and,

WHEREAS, Transmission Owner owns facilities to which the Generating Facility is to be interconnected and may be constructing facilities to allow the interconnection; and,

WHEREAS, Interconnection Customer, Transmission Provider and Transmission Owner have agreed to enter into this Agreement 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:

When used in this Generator Interconnection Agreement, terms with initial capitalization that are not defined in Article 1 shall have the meanings specified in the Article in which they are used or the Open Access Transmission Tariff (Tariff).

Article 1. Definitions

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 system other than the Transmission System that may be affected by the proposed interconnection.

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.

Applicable Reliability Council shall mean the reliability council applicable to the Transmission System to which the Generating Facility is directly interconnected.

Applicable Reliability Standards shall mean the requirements and guidelines of NERC, the Applicable Reliability Council, and the Control Area of the Transmission System to which the Generating Facility is directly interconnected.

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

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Generator Interconnection Agreement.

Breaching Party shall mean a Party that is in Breach of the Generator Interconnection Agreement.

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

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

Clustering shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting Interconnection Studies.

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 the Generator Interconnection Agreement.

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

Control Area shall mean an electrical system or systems bounded by interconnection metering and telemetry, capable of controlling generation to maintain its interchange schedule with other Control Areas and contributing to frequency regulation of the interconnection. A Control Area must be certified by the Applicable Reliability Council.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Generator Interconnection Agreement.

Definitive 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 a Preliminary Interconnection System Impact Study or that may be caused by the withdrawal or addition of an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Definitive Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3A of the Generator Interconnection Procedures for conducting the Definitive Interconnection System Impact Study.

Definitive Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Definitive Interconnection System Impact Study.

Dispute Resolution shall mean the procedure in Section 12 of the Tariff for resolution of a dispute between 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 that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.

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 transmission 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 the Generator Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of Transmission Provider, 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 or the electric systems of others to which the Transmission System is directly connected; or (3) that, in the case of 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 Transmission Owner's Interconnection Facilities ;or (4) 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 black start shall be considered Emergency Conditions; provided, that Interconnection Customer is not obligated by the Generator Interconnection Agreement to possess black start capability.

Energy Resource Interconnection Service shall mean an Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself 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.

Environmental Review shall mean a study conducted by the Transmission Owner that contains a review of the proposed interconnection to the Transmission Owner's transmission facilities, pursuant to the National Environmental Policy Act (NEPA), 42 U.S.C. §4321, et seq., as amended, and setting forth Interconnection Customer's responsibilities in connection with such review of the interconnection.

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 (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 acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Interconnection Customer's device 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 applicable to an Interconnection Request pertaining to a Generating Facility that is included in the Transmission Provider's Tariff.

Generator Interconnection Procedures (GIP) shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Generating Facility that are included in the Transmission Provider's Tariff.

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.

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.

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 back feed power.

Interconnection Customer shall mean any entity, including the 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 the Generator Interconnection Agreement, 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. 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 are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

Interconnection Facilities Study shall mean a study conducted by the Transmission Provider or a third party consultant for the Interconnection Customer to determine a list of facilities (including Transmission Owner's Interconnection Facilities and Network Upgrades as identified in the Definitive Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission System. The scope of the study is defined in Section 8 of the Generator Interconnection Procedures.

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 Facilities Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Facilities Study.

Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Generating Facility to the Transmission System, the scope of which is described in Section 6 of the Generator Interconnection Procedures.

Interconnection Feasibility Study Agreement shall mean the form of agreement contained in Appendix 2 of the Generator Interconnection Procedures for conducting the Interconnection Feasibility Study.

Interconnection Feasibility Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Feasibility Study.

Interconnection Queue Position shall mean the order of a valid Interconnection Request within the Interconnection Facilities Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Facilities Study Queue, which is established based upon the requirements in Section 4.1.3 of the Generator Interconnection Procedures.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Generator Interconnection Procedures, in accordance with the Tariff, 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 Interconnection Customer's Generating Facility to the Transmission Provider's 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 the Generator Interconnection Agreement and, if applicable, the Tariff.

Interconnection Study shall mean any of the following studies: the Interconnection Feasibility Study, the Preliminary Interconnection System Impact Study, the Definitive Interconnection System Impact Study and the Interconnection Facilities Study described in the Generator Interconnection Procedures.

Interconnection Study Agreement shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Preliminary Interconnection System Impact Study Agreement, the Definitive Interconnection System Impact Study Agreement and the Interconnection Facilities Study Agreement described in the Generator Interconnection Procedures.

IRS shall mean the Internal Revenue Service.

Joint Operating Committee shall be a group made up of representatives from Interconnection Customer, Transmission Owner and the Transmission Provider to coordinate operating and technical considerations of Interconnection Service.

Loss shall mean any and all losses 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 another Party's performance, or non-performance of its obligations under the Generator Interconnection Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying 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 the Generator Interconnection Agreement 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 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 shall mean an Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with the Transmission System in a manner comparable to that in which the Transmission Owner integrates its generating facilities to serve Native Load Customers as a Network Resource. Network Resource Interconnection Service in and of itself 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 to accommodate the interconnection of the Generating Facility to the Transmission System.

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with the Generator Interconnection Agreement or its performance.

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 to the Generator Interconnection Agreement, where the Interconnection Facilities connect to the Transmission System.

Preliminary 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 an Interconnection Feasibility Study or that may be caused by an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Preliminary Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3 of the Generator Interconnection Procedures for conducting the Preliminary Interconnection System Impact Study.

Preliminary Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Preliminary Interconnection System Impact Study.

Previous Network Upgrade shall mean a Network Upgrade that is needed for the interconnection of one or more Interconnection Customers' Generating Facilities, but is not the cost responsibility of the Interconnection Customer, subject to restudy, and which is identified in Appendix A of the Generator Interconnection Agreement.

Queue shall mean the Interconnection Feasibility Study Queue, the Preliminary Interconnection System Impact Study Queue, the Definitive Interconnection System Impact Study Queue, or the Interconnection Facilities Study Queue, as applicable.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Generator Interconnection Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer, Transmission Owner 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 listed in Appendix A of the Generator Interconnection Agreement that is needed for the interconnection of multiple Interconnection Customers' Generating Facilities and which is the shared funding responsibility of such Interconnection Customers that may also benefit 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 of sufficient size for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size 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 of sufficient size for such purpose.

Small Generating Facility shall mean a Generating Facility that has an aggregate net Generating Facility Capacity of no more than 2 MW.

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 the Generator Interconnection Agreement.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the Transmission System 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 FERC, and as amended or supplemented from time to time, or any successor tariff.

Transmission Owner shall mean an entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of Interconnection and may be a Party to the Generator Interconnection Agreement to the extent necessary.

Transmission Provider shall mean the public utility (or its Designated Agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the Tariff. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from the Transmission Provider.

Transmission Owner's Interconnection Facilities shall mean all facilities and equipment owned, controlled or operated by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Generator Interconnection Agreement, 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 Stand Alone Network Upgrades or Network Upgrades.

Transmission System shall mean the facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide transmission 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.

Variable Energy Resource shall mean a device for the production of electricity that is characterized by an energy source that: (1) is renewable; (2) cannot be stored by the facility owner or operator; and (3) has variability that is beyond the control of the facility owner or operator.

Western Area Power Administration-Upper Great Plains Region (“Western-UGP”) shall mean a division of the Western Area Power Administration, a Federal power marketing agency, and Transmission Owner, that markets and transmits Federal power over Federal transmission facilities that have been transferred to the functional control of the Transmission Provider.

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 ten (10) years from the Effective Date or such other longer period as Interconnection Customer may request (Term to be specified in individual agreements) and shall be automatically renewed for each successive one-year period thereafter.

Notwithstanding this Article 2.2 or 2.3, the maximum effective period of this GIA shall be forty (40) years from the Effective Date. Five years prior to termination, Interconnection Customer shall provide written notice of its intention to extend the GIA. Upon receiving such notice, Transmission Provider and Transmission Owner shall enter into good faith discussions regarding an extension of the GIA at Interconnection Customer’s request.

2.3 Termination Procedures.

2.3.1 Written Notice. This GIA may be terminated by Interconnection Customer after giving Transmission Provider and Transmission Owner ninety (90) Calendar Days advance written notice, or by Transmission Provider notifying FERC after the Generating Facility permanently ceases Commercial Operation.

2.3.2 If the Generating Facility fails to achieve Commercial Operation for three (3) consecutive years following the Commercial Operation Date, this GIA may be terminated by the Transmission Provider after giving the Interconnection Customer ninety (90) Calendar Days advance written notice. Where a portion of the Generating Facility fails to achieve Commercial Operation for three (3) consecutive years following the Commercial Operation Date, the Transmission Provider shall issue a revised GIA to reflect the amount of the Generating Facility Capacity that achieved Commercial Operation. The revised GIA shall be consistent with the GIP in effect on the Effective Date of the GIA.

2.3.3 Default. Any Party may terminate this GIA in accordance with Article 17.

2.3.4 Notwithstanding Articles 2.3.1, 2.3.2 and 2.3.3, 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, which notice has been accepted for filing by FERC.

2.4 Termination Costs. If a Party elects to terminate this Agreement pursuant to Article 2.3 above, Interconnection Customer and Transmission Owner shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment) or charges assessed by any other Party, as of the date of such Party's receipt of such notice of termination, that are the responsibility of the Terminating Party under this GIA. In the event of termination by any Party, all Parties shall use Commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this GIA:

2.4.1 With respect to any portion of Transmission Owner's Interconnection Facilities that have not yet been constructed or installed, Transmission Owner shall to the extent possible and with Interconnection Customer's authorization 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 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 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 Network Upgrades for which Transmission Owner has incurred expenses and has not been reimbursed by Interconnection Customer and the Interconnection Customer's allocated share of Network Upgrade(s) costs as calculated pursuant to Section 4.2.5 of the GIP and as listed in Appendix A of this GIA which are required for service to other Interconnection Customer(s).

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.

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 or other disposition or retirement of such materials, equipment, or facilities.

2.5 **Disconnection.** Upon termination of this GIA, the Parties will take all appropriate steps to disconnect the Generating Facility from the Transmission System. 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 payments for any credits under 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 another 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.** Transmission Provider shall file this GIA (and any amendment hereto) with the appropriate Governmental Authority, if required. Interconnection Customer may request that any information so provided be subject to the confidentiality provisions of Article 22. If Interconnection Customer has executed this GIA, or any amendment thereto, Interconnection Customer 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:

4.1.1 Energy Resource Interconnection Service.

4.1.1.1 The Product. Energy Resource Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Transmission System 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 Energy Resource Interconnection Service, Transmission Provider shall construct facilities identified in Appendix A.

4.1.1.2 Transmission Delivery Service Implications. Under Energy Resource Interconnection Service, 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. 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 System 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 Upgrades.

4.1.2 Network Resource Interconnection Service.

4.1.2.1 The Product. Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Generating Facility in a manner comparable to that in which Transmission Owner integrates its generating facilities to serve Native Load Customers as all Network Resources. To the extent Interconnection Customer wants to receive Network Resource Interconnection Service, Transmission Owner shall construct the facilities identified in Appendix A to this GIA.

4.1.2.2 Transmission Delivery Service Implications. Network Resource Interconnection Service allows Interconnection Customer's 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 interconnected to the Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur. Although Network Resource Interconnection Service does not convey a reservation of transmission service, any Network Customer under the Tariff can utilize its network service under the Tariff to obtain delivery of energy from the interconnected Interconnection Customer's Generating Facility in the same manner as it accesses Network Resources. A Generating Facility receiving Network Resource 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 an Interconnection Customer's Generating Facility has not been designated as a Network Resource by any load, 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.

Network Resource Interconnection Service does not necessarily provide 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 constraints on the Transmission System, Interconnection Customer's Generating Facility shall be subject to the applicable congestion management procedures in Transmission Provider's 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 Interconnection Customer's Generating Facility be designated as a Network Resource by a Network Service Customer under the Tariff or that 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 Transmission Provider's Tariff.

Once an Interconnection Customer satisfies the requirements for obtaining Network Resource 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 or not such Generating Facility is ever designated by a Network Customer as a Network Resource and regardless of changes in ownership of the Generating Facility. However, the reduction or elimination of congestion or redispatch costs may require additional studies and the construction of additional upgrades.

To the extent 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 Transmission Provider to grant such request.

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, and to the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this GIA for its compliance therewith. If such Party is a Transmission

Provider or Transmission Owner, then that Party shall amend the GIA and Transmission Provider shall submit the amendment to FERC 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 Transmission Provider's 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 13.5.1. Interconnection Customer shall be paid for such services in accordance with Article 11.9.

Article 5. Interconnection Facilities Engineering, Procurement, and Construction

5.1 Options. Unless otherwise mutually agreed to between the Parties, Interconnection Customer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date; and either the Option To Build as described under Article 5.1.2 or the Negotiated Option described under Article 5.1.3 if the Interconnection Customer and the Transmission Owner cannot reach agreement under the Standard Option described under Article 5.1.1, for completion of Transmission Owner's Interconnection Facilities and Network Upgrades as set forth in Appendix A, Interconnection Facilities and Network Upgrades, and such dates and selected option, as applicable, shall be set forth in Appendix B, Milestones.

5.1.1 Standard Option. Transmission Owner shall design, procure, and construct Transmission Owner's Interconnection Facilities and Network Upgrades, using Reasonable Efforts to complete Transmission Owner's Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B, Milestones. 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, and Applicable Laws and Regulations. In the event Transmission Owner reasonably expects that it will not be able to complete Transmission Owner's Interconnection Facilities, and Network Upgrades by the specified dates, Transmission Owner shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Option to Build. If the dates designated by Interconnection Customer are not acceptable to Transmission Owner, Transmission Owner shall so notify 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 on the dates specified in Article 5.1.1. Transmission Owner and Interconnection Customer 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.

5.1.3 Negotiated Option. If Interconnection Customer elects not to exercise its option under Article 5.1.2, 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, the provision of incentives or the procurement and construction of a portion of 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 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 Transmission Owner's Interconnection Facilities and Network Upgrades pursuant to 5.1.1, Standard Option.

5.2 General Conditions Applicable to Option to Build. If Interconnection Customer assumes responsibility for the design, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades,

- (1) Interconnection Customer shall engineer, procure equipment, and construct 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 Transmission Owner;
- (2) Interconnection Customer's engineering, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades shall comply with all requirements of law to which Transmission Provider would be subject in the engineering, procurement or construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (3) Transmission Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (4) Prior to commencement of construction, Interconnection Customer shall provide to Transmission Provider and Transmission Owner a schedule for construction of Transmission Provider'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 Owner shall have the right to gain unrestricted access to Transmission Owner'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 Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Transmission Owner, Interconnection Customer shall be obligated to remedy deficiencies in that portion of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (7) Interconnection Customer shall indemnify Transmission Provider and Transmission Owner for claims arising from 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 Transmission Provider;
- (9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Transmission Owner's Interconnection Facilities and Stand-Alone Network Upgrades to Transmission Owner not later than the Commercial Operation Date;
- (10) Transmission Owner shall approve and accept for operation and maintenance Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and
- (11) Interconnection Customer shall deliver to Transmission Owner "as-built" drawings, information, and any other documents that are reasonably required by Transmission Owner to assure that the Interconnection Facilities and Stand-Alone Network Upgrades are built to the standards and specifications required by Transmission Provider.

5.3 Reserved.

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 reserves 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 not capable of automatic operation, Interconnection Customer shall immediately notify Transmission Owner's system operator, or its designated representative. The requirements of this paragraph shall not apply to wind generators.

5.5 Equipment Procurement. If responsibility for construction of Transmission Owner's Interconnection Facilities or Network Upgrades is to be borne by Transmission Owner, then Transmission Owner shall commence design of Transmission Owner's

Interconnection Facilities or Network 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 Transmission Provider has completed the Interconnection Facilities Study pursuant to the Interconnection Facilities Study Agreement;

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

5.5.3 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.7 and advance payment to Transmission Owner in accordance with Article 11.8 by the dates specified in Appendix B, Milestones.

5.6 Construction Commencement. Transmission Owner shall commence construction of Transmission Owner's Interconnection Facilities and Network 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 Transmission Owner's Interconnection Facilities and Network Upgrades;

5.6.3 Transmission Owner has received written authorization to proceed with construction from Interconnection Customer by the date specified in Appendix B, Milestones; and

5.6.4 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.7 and advance payment to Transmission Owner in accordance with Article 11.8 by the dates specified in Appendix B, Milestones.

5.7 Work Progress. The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Parties may, at any time, request a progress report from other Parties. If, at any time, Interconnection Customer determines that the completion of Transmission Owner's Interconnection Facilities and Network Upgrades will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Transmission Provider and Transmission Owner of such later date upon which the completion of Transmission Owner's Interconnection Facilities and Network Upgrades will be required.

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 Parties' Interconnection Facilities and compatibility of the Interconnection Facilities with the Transmission System, and shall work diligently and in good faith to make any necessary design changes.

5.9 Limited Operation. If any of Transmission Owner's Interconnection Facilities or Network 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 Interconnection Customer's Interconnection Facilities may operate prior to the completion of Transmission Owner's Interconnection Facilities or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this GIA ("Limited Operation"). Transmission Owner shall permit Interconnection Customer to operate the Generating Facility and Interconnection Customer's Interconnection Facilities under Limited Operation in accordance with the results of such studies performed by Transmission Provider.

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, Interconnection Facilities, Network Upgrades and Distribution Upgrades.

5.10.1 Interconnection Customer's Interconnection Facility Specifications.

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

5.10.2 Transmission Owner's Review.

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 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 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, Interconnection Customer shall deliver to 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 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 Owner specifications for the excitation system, automatic voltage regulator, Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.10.4 Updated Information Submission by Interconnection Customer. The updated information submission by the Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date. Interconnection Customer shall submit 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 and Interconnection Facilities Studies. 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 the Parties 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 agreements 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 5.10.4. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

5.10.5 Information Supplementation. Prior to the Commercial Operation Date, or as soon as possible thereafter, the Parties shall supplement their information submissions described above in this Article 5 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 percent) 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 of 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 for each individual generating unit in a station.

Subsequent to the Commercial Operation Date, the Interconnection Customer shall provide Transmission Owner and Transmission Provider any information changes due to equipment replacement, repair, or adjustment. Transmission Owner shall provide the Interconnection Customer and Transmission Provider any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission Owner-owned 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.

5.11 Transmission Owner's Interconnection Facilities Construction. Transmission Owner's Interconnection Facilities and Network Upgrades 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, Transmission Owner shall deliver to Interconnection Customer the following "as-built" drawings, information and documents for Transmission Owner's Interconnection Facilities and Network Upgrades [include appropriate drawings and relay diagrams].

Transmission Owner will obtain control of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades upon completion of such facilities.

5.12 Access Rights. Upon reasonable notice and supervision by a Party, and subject to any required or necessary regulatory approvals, a Party ("Granting Party") shall furnish at no cost to any 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 Transmission Owner's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Transmission Owner, 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, and to the extent consistent with Federal or state law, as applicable, 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 Transmission Owner's Interconnection Facilities and/or Network 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 Provider or Transmission Owner shall provide permitting assistance to Interconnection Customer comparable to that provided to Transmission Provider's own, or an Affiliate's generation.

5.15 Early Construction of Base Case Facilities. 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 required for Interconnection Customer to be interconnected to the Transmission System which are included in the Base Case of the Facilities Study for Interconnection Customer, and which also are required to be constructed for another Interconnection Customer, but where such construction is not scheduled to be completed in time to achieve Interconnection Customer's In-Service Date.

5.16 Suspension.

5.16.1 Interconnection Customer, upon written notice to Transmission Provider and Transmission Owner, may suspend, for a period not to exceed 18 months, work by Transmission Owner associated with the construction and installation of Transmission Owner's Interconnection Facilities and/or Network Upgrades required under this GIA under the following terms and conditions,

- i. Construction of Network Upgrades that are required to provide Interconnection Service to other Generating Facilities and for which Interconnection Customer shares cost responsibility cannot be suspended pursuant to this Article 5.16.
- ii. If the suspension period begins later than or extends beyond six months following the Effective Date of the GIA, the Interconnection Customer shall provide to the Transmission Provider security in the form described under Article 11.7 in an amount equal to the greater of:
 - a. the Interconnection Customer's allocated share of Network Upgrade(s) as calculated pursuant to Section 4.2.5 of the GIP and as identified in

Appendix A of this GIA unless previously provided under Section 8.9 of the GIP; or

- b. \$5,000,000 if the Generating Facility is greater than or equal to 100 MW; or
- c. \$2,500,000 if the Generating Facility is greater than or equal to 50 MW and less than 100 MW; or
- d. \$1,000,000 if the Generating Facility is less than 50 MW; or
- e. \$500,000 if the Generating Facility is less than or equal to 2 MW.

iii. In the event that this GIA is terminated under this Article 5.16, the Transmission Provider shall retain the security provided pursuant to Article 5.16.1.ii in the amount required to meet Interconnection Customer's obligations pursuant to this GIA. Any difference between the security provided and Interconnection Customer's obligations shall be settled pursuant to Article 12.

iv. 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 resume the work required under this GIA on or before the expiration of 18 months from the date of suspension, this GIA shall be deemed terminated unless Article 16 applies.

v. In the event Interconnection Customer suspends work by Transmission Owner required under this GIA pursuant to this Article 5.16 and has not complied requirements of Article 5.16.1.ii on or before the later of the expiration of 6 months following the effective date of the GIA or the date the suspension is requested, this GIA shall be deemed terminated by the Interconnection Customer.

vi. In the event Interconnection Customer suspends work by Transmission Owner required under this GIA pursuant to this Article 5.16, the Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Owner's safety and reliability criteria. Interconnection Customer shall be responsible for all reasonable and necessary costs which Transmission Owner and Transmission Provider (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 System during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which Transmission Owner cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Transmission Owner shall obtain Interconnection Customer's authorization to do so. Transmission Owner and Transmission Provider shall invoice Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs.

vii. In the event Interconnection Customer provides written notice to resume work for those facilities for which work has been suspended pursuant to this Article 5.16.1, the Interconnection Customer shall receive a refund, including interest, of any payments provided in accordance with Article 5.16.1.ii in excess of the sum of Interconnection Customer's allocated share of Network Upgrade(s) costs and any costs incurred under Article 5.16.1.vi within 30 days of the date of such notice.

5.16.2 Exemptions. The Interconnection Customer shall be exempt from the payments described under Article 5.16.1.ii.b, 5.16.1.ii.c and 5.16.1.ii.d if the following occurs or Suspension is requested for the following reasons:

- i. Construction of a Network Upgrade or the Generating Facility is prevented by order of a Governmental Authority; or
- ii. Transmission Provider determines through an Interconnection Study that the Suspension does not qualify as a modification that has an impact on the cost or timing of any Interconnection Request with an equal or later Queue priority date (Material Modification); or
- iii. Transmission Owner or Transmission Provider determines that a Force Majeure event prevents construction of a Network Upgrade.

5.17 Reserved.

5.18 Tax Status. All Parties shall cooperate with each other to maintain their 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. Each 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 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 Owner 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 System, Transmission Owner's Interconnection Facilities or Network Upgrades necessitated by such Interconnection Customer modification and a good faith estimate of the costs thereof.

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 for the costs of any additions, modifications, or replacements that Transmission Owner makes to Transmission Owner's Interconnection Facilities or the Transmission System to facilitate the interconnection of a third party to Transmission Owner's Interconnection Facilities or the Transmission System, or to provide transmission service to a third party under Transmission Provider's Tariff. Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to 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.

5.20 Delays. If a Network Upgrade(s) identified in Appendix A is delayed during the construction process and the Commercial Operation Date for the Generating Facility identified in Appendix B is no longer feasible, the Commercial Operation Date in Appendix B may be modified to no later than six (6) months following the in-service date for the last Network Upgrade identified in Appendix A.

Article 6. Testing and Inspection

6.1 Pre-Commercial Operation Date Testing and Modifications. Prior to the Commercial Operation Date, Transmission Owner shall test Transmission Owner's Interconnection Facilities and Network Upgrades and Interconnection Customer shall test the Generating Facility and Interconnection Customer's Interconnection Facilities to ensure their safe and reliable operation. Similar testing may be required after initial operation. Each Party shall make any modifications to its 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 System in a safe and reliable manner. Each Party shall have the right, upon advance written notice, to require reasonable additional testing of the other Party's 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 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 another Parties' tests and/or inspection of any of its System Protection Facilities and other protective equipment, including power system stabilizers; (ii) review the settings of the other Parties' System Protection Facilities and other protective equipment; and (iii) review another Parties' maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. Any 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 another 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 any 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 shall install Metering Equipment at the Point of Interconnection prior to any operation of the Generating Facility and shall own, operate, test and maintain such Metering Equipment. Power flows to and from the Generating Facility shall be measured at or, at Transmission Owner's option, compensated to, the Point of Interconnection. Transmission Owner shall provide metering quantities, in analog and/or digital form, to Interconnection Customer and Transmission Provider on a same-time basis using communication as provided in Article 8. 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 Transmission Owner's meters. 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 Owner or its designee. The installation, operation and maintenance thereof shall be performed entirely by Interconnection Customer in accordance with Good Utility Practice.

7.3 Standards. Transmission Owner shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards.

7.4 Testing of Metering Equipment. Transmission Owner shall inspect and test all Transmission Owner-owned Metering Equipment in accordance with Transmission

Owner's meter testing policies. If requested to do so by Interconnection Customer, Transmission Owner shall, at Interconnection Customer's expense, inspect or test Metering Equipment more frequently than the periods set forth in the Transmission Owner's meter testing policies. Transmission Owner shall give reasonable notice of the time when any inspection or test shall take place, and Interconnection Customer 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 Transmission Owner's failure to maintain, then Transmission Owner 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 from the measurement made by the standard meter used in the test, Transmission Owner 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 last 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 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 Owner's Transmission System dispatcher or representative designated by Transmission Owner. 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 Owner 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 Owner. Any required maintenance of such communications equipment shall be performed by 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 the 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 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. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Transmission Owner.

Each Party will promptly advise the other Party if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by the other Party. 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.

8.4 Provision of Data from a Variable Energy Resource. The Interconnection Customer whose Generating Facility is a Variable Energy Resource shall provide meteorological and forced outage data to the Transmission Provider to the extent necessary for the Transmission Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. The Interconnection Customer with a Variable Energy Resource having wind as the energy source, at a minimum, will be required to provide the Transmission Provider with (i) site-specific meteorological data including: temperature, wind speed, wind direction, relative humidity and atmospheric pressure and (ii) site specific geographic data including location (latitude and longitude) of the Variable Energy Resource and location (latitude and longitude) and height of the facility that will contain the equipment necessary to provide the meteorological data for such resource. The Interconnection Customer with a Variable Energy Resource having solar as the energy source, at a minimum, will be required to provide the Transmission Provider with site-specific meteorological data including: temperature, atmospheric pressure, and irradiance. The Transmission Provider and Interconnection Customer whose Generating Facility is a Variable Energy Resource shall mutually agree to any additional meteorological data that are required for the development and deployment of a power production forecast. The Interconnection Customer whose Generating Facility is a Variable Energy Resource also shall submit data to the Transmission Provider regarding all forced outages to the extent necessary for the Transmission Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. The exact specifications of the meteorological and forced outage data to be provided by the Interconnection Customer to the Transmission Provider, including the frequency and timing of data submittals, shall be made taking into account the size and configuration of the Variable Energy Resource, its characteristics, location, and its importance in maintaining generation resource adequacy and transmission system reliability in its area. All requirements for meteorological, geographical and forced outage data must be commensurate with the power production forecasting employed by the Transmission Provider. Such requirements for meteorological, geographical and forced outage data are set forth in Appendix C, Interconnection Details, of this GIA, as they may change from time to time.

Article 9. Operations

9.1 General. Each Party shall comply with the Applicable Reliability Council requirements. Each Party shall provide to the other Parties all information that may reasonably be required by the other Parties to comply with Applicable Laws and Regulations and Applicable Reliability Standards.

9.2 Control Area Notification. At least three months before Initial Synchronization Date, Interconnection Customer shall notify Transmission Provider and Transmission Owner in writing of the Control Area in which the Generating Facility will be located. If Interconnection Customer elects to locate the Generating Facility in a Control Area other than the Control Area 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 Control Area 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 Control Area.

9.3 Transmission Provider and Transmission Owner Obligations. Transmission Provider and Transmission Owner shall cause the Transmission System and Transmission Owner's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this GIA. Transmission Provider or Transmission Owner may provide operating instructions to Interconnection Customer consistent with this GIA and Transmission Owner's operating protocols and procedures as they may change from time to time. Transmission Provider and Transmission Owner 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. Interconnection Customer shall operate the Generating Facility and Interconnection Customer's Interconnection Facilities in accordance with all applicable requirements of the Control Area of which it 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 another 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 System.

9.6 Reactive Power.

9.6.1 Power Factor Design Criteria. Interconnection Customer shall design the Generating Facility to maintain a composite power delivery at continuous rated

power output at the Point of Interconnection at a power factor within the range of 0.95 leading to 0.95 lagging, unless Transmission Provider or Transmission Owner has established different requirements that apply to all generators in the Control Area on a comparable basis. A wind generator plant shall maintain a power factor within the range of .95 leading to .95 lagging, measured at the Point of Interconnection as defined in the GIA, if the Transmission Provider's System Impact Study shows that such a requirement is necessary to ensure safety or reliability.

9.6.2 Voltage Schedules. Once Interconnection Customer has synchronized the Generating Facility with the Transmission System, Transmission Provider and/or Transmission Owner 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). Transmission Owner's voltage schedules shall treat all sources of reactive power in the Control Area in an equitable and not unduly discriminatory manner. Transmission Owner 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 System. 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 the Transmission Owner.

9.6.2.1 Governors and Regulators. Whenever the Generating Facility is operated in parallel with the Transmission System 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 Owner'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 System or trip any generating unit comprising the Generating Facility for an under or over frequency condition in accordance with Good Utility Practice and Applicable Reliability Standards.

9.6.3 Payment for Reactive Power. Transmission Provider is required to pay Interconnection Customer for reactive power that Interconnection Customer provides or absorbs from the Generating Facility when Transmission Owner

requests Interconnection Customer to operate its Generating Facility outside the range specified in Article 9.6.1. Payments shall be pursuant to Article 11.9 or such other agreement to which the Parties have otherwise agreed; provided however, to the extent the Tariff contains a provision providing for such compensation, that Tariff provision shall control.

9.7 Outages and Interruptions.

9.7.1 Outages.

9.7.1.1 Outage Authority and Coordination. Each Party may in accordance with Good Utility Practice in coordination with the other Party remove from service any of its respective Interconnection Facilities or Network 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 schedule such removal on a date and time mutually acceptable to all 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. Transmission Provider shall post scheduled outages of its transmission facilities on the OASIS. Interconnection Customer shall submit its planned maintenance schedules for the Generating Facility to Transmission Provider for a minimum of a rolling twenty-four month period. 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 Interconnection Customer for any additional direct costs that 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 Interconnection Customer would have incurred absent 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, Interconnection Customer had modified its schedule of maintenance activities.

9.7.1.3 Outage Restoration. If an outage on a Party's Interconnection Facilities or Network Upgrades adversely affects another 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 explaining the nature of the outage.

9.7.2 Interruption of Service. If required by Good Utility Practice to do so, Transmission Provider and/or Transmission Owner may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Transmission Provider's and/or Transmission Owner'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 System;

9.7.2.3 When the interruption or reduction must be made under circumstances which do not allow for advance notice, Transmission Provider or Transmission Owner 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 or Transmission Owner shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration. Transmission Provider or Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the interruption or reduction during periods of least impact to Interconnection Customer and Transmission Owner;

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 System 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 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 System Protection Facilities as a part of the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Owner shall install at Interconnection Customer's expense any System Protection Facilities that may be required on Transmission Owner's Interconnection Facilities or the Transmission System as a result of the interconnection of the Generating Facility and the Interconnection Customer's Interconnection Facilities.

9.7.4.2 Each Party's protection facilities shall be designed and coordinated with other 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 Interconnection Customer's units.

9.7.4.5 Each Party will test, operate and maintain 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, each Party or its agent 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, each Party shall perform both calibration and functional trip tests of its System Protection Facilities. These tests do not require the tripping of any in-service generation 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 System 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 System. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Generating Facility and the Transmission System 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 System could adversely affect the Generating Facility.

9.7.6 Power Quality. No 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, or any applicable superseding electric industry standard, ANSI Standard C84.1-1989, or the applicable superseding electric industry standard, shall control.

9.8 Switching and Tagging Rules. Each Party shall provide the other Parties a copy of its switching and tagging rules that are applicable to the other Party's 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 Third 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 System and shall be used for no other purpose.

9.9.2 Third Party Users. If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld, to allow one or more third parties to use 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 third 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 third party users based upon the pro rata use of the Interconnection Facilities by Transmission Owner, all third 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 FERC for resolution.

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 System and Transmission Owner's Interconnection Facilities in a safe and reliable manner and in accordance with this GIA.

10.2 Interconnection Customer Obligations. Interconnection Customer shall maintain the Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this GIA.

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 others 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 third

party and such third 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.

Article 11. Performance Obligation

11.1 Interconnection Customer Interconnection Facilities. Interconnection Customer shall design, procure, construct, install, own and/or control Interconnection Customer's Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at its sole expense.

11.2 Generating Facility. Interconnection Customer shall install the Generating Facilities described in Appendix C within three (3) years of the Commercial Operation Date(s) specified in Appendix B.

11.3 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, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at the sole expense of the Interconnection Customer.

11.4 Network Upgrades and Distribution Upgrades. All Network Upgrades and Distribution Upgrades described in Appendix A shall be constructed in accordance with the process set forth in Section VI of Attachment O. Transmission Owner shall design, procure, construct, install, and own the Network Upgrades and Distribution Upgrades described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades that are associated with that Transmission Owner's system. The Distribution Upgrades and Network Upgrades described in Appendix A shall be solely funded by Interconnection Customer unless Transmission Owner elects to fund the capital for the Distribution Upgrades or Network Upgrades.

11.4.1 Agreement to Fund Shared Network Upgrades. 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 Transmission Provider by Interconnection Customer will be disbursed by Transmission Provider to the appropriate entities that are constructing the Shared Network Upgrades in accordance with Attachment O of the Tariff. In the event that Interconnection Customer fails to meet its obligation to fund Shared Network Upgrades, Transmission Owner and Transmission Provider shall not be responsible for the Interconnection Customer's funding obligation.

11.4.2 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 (a) a

higher queued Interconnection Request withdrew or was deemed to have withdrawn, (b) the GIA associated with a higher queued Interconnection Request was terminated, or (c) changes occur in equipment design standards or reliability criteria giving rise to the need for restudy. 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, shall be provided in Appendix A.

11.4.3 Agreement to Restudy. The Interconnection Customer agrees to allow the Transmission Provider to perform a restudy in accordance with Sections 8.8 and 8.13 of the GIP if the Transmission Provider determines a restudy is required because one or more of the contingencies in Article 11.4.2 occurred. If a restudy is required, the Transmission Provider shall provide notice to Interconnection Customer. The Parties agree to amend Appendix A to this GIA in accordance with Article 30.10 to reflect the results of the restudy.

11.5 Transmission Credits.

11.5.1 Credits for Amounts Advanced for Network Upgrades. Interconnection Customer shall be entitled to credits in accordance with Attachment Z2 of the Tariff for any Network Upgrades including any tax gross-up or other tax-related payments associated with Network Upgrades, and not refunded to Interconnection Customer pursuant to Article 5.17.8.

11.5.2 Special Provisions for Affected Systems. Unless Transmission Provider provides, under the GIA, for the repayment of amounts advanced to Affected System Operator for Network Upgrades, Interconnection Customer and Affected System Operator shall enter into an agreement that provides for such repayment. The agreement shall specify the terms governing payments to be made by Interconnection Customer to the Affected System Operator as well as the repayment by the Affected System Operator.

11.5.3 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 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 transmission credits for transmission service that is not associated with the Generating Facility.

11.6 Initial Payment.

Interconnection Customer shall make an initial payment ("Initial Payment") equal to the greater of a) twenty (20) percent of the total cost of Network Upgrades, Shared Network Upgrades, Transmission Owner Interconnection Facilities and/or Distribution Upgrades listed in Appendix A or b) \$4,000/MW of the size of the Generating Facility. Any remaining milestone deposits provided in Section 8.2 and Section 8.9 of the GIP will be applied to this requirement. The Initial Payment shall be provided to Transmission Owner or Transmission Provider as required in Appendix B by Interconnection Customer pursuant to this Article 11.6 within the later of a) thirty (30) days of the execution of the GIA by all Parties, or b) thirty (30) days of acceptance by FERC if the GIA is filed unexecuted and the payment is being protested by Interconnection Customer, or c) thirty (30) days of the filing if the GIA is filed unexecuted and the Initial Payment is not being protested by Interconnection Customer. If this GIA is terminated, then the Initial Payment shall be refunded with accrued interest, if any, to the Interconnection Customer less:

- a. any costs that have been incurred for the construction of the facilities specified in Appendix A;
- b. any funds necessary for the construction of those Shared Network Upgrades, or Network Upgrades, that would be assigned to another interconnection customer where such upgrade costs would not have been assigned but for the termination of the GIA; and
- c. any costs that have been incurred for the construction of those Shared Network Upgrades, or Network Upgrades, that are no longer required due to the termination of the GIA that were paid for by another interconnection customer.

11.7 Provision of Security. Payments for any upgrades installed by the Transmission Owner will be addressed in accordance with Article 11.8 of this GIA. For Network Upgrades and Distribution Upgrades that are not installed by the Transmission Owner, at least thirty (30) Calendar Days prior to the commencement of the procurement, installation, or construction of a discrete portion of Network Upgrades, or Distribution Upgrades as defined in Appendix A of this GIA, Interconnection Customer shall provide Transmission Provider, at Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Transmission Provider 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 costs for constructing, procuring and installing the applicable portion of Network Upgrades or Distribution Upgrades as defined in Appendix A of this GIA and shall be reduced on a dollar-for-dollar basis for payments made to Transmission Provider for these purposes. If Interconnection Customer requests suspension pursuant to Article 5.16, Interconnection Customer may be required to provide Transmission Provider security in the form described above for its allocated share of Network Upgrade(s) costs as calculated pursuant to Section 4.2.5 of the GIP and defined in Appendix A of this GIA.

In addition:

11.7.1 The guarantee must be made by an entity that meets the creditworthiness requirements of Transmission Provider, 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.

11.7.2 The letter of credit must be issued by a financial institution reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.7.3 The surety bond must be issued by an insurer reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.8 Advance Payment.

11.8.1 For Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades constructed by Transmission Owner, Interconnection Customer shall be required to pay Transmission Owner for all actual costs incurred by Transmission Owner for the procurement, installation, or construction of a discrete portion of a Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and shall pay Transmission Owner, in advance, for all work to be conducted by the Transmission Owner, under the terms and conditions set forth in this GIA. Such advance payments shall be considered estimated costs for project planning, management, design, engineering, land purchase, environmental investigations, procurement, construction, inspection and commissioning activities for which such advance payments are then due. The funds shall be deposited by Interconnection Customer according to the instructions on individual invoices from Transmission Owner, which shall be delivered by Transmission Owner to Interconnection Customer at least ten (10) Business Days prior to the date of such payment being due. Transmission Owner shall not provide any labor, equipment, materials, parts, travel, or incur incidental costs associated with tasks described above, or commence any other work until applicable advance payment(s) is/are received in full.

11.8.2 Interconnection Customer shall not be required to make any subsequent payment to the Transmission Owner in the event tasks relating to the prior payment have not been substantially completed.

11.8.3 Transmission Owner shall keep detailed records for actual costs incurred. Interconnection Customer shall be entitled, during normal business hours and at its own expense, to review such records and supporting documentation. If, during procurement, installation, or construction of a discrete portion of a Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, or upon close-out of any phase of such activities, costs by Transmission Owner are expected to exceed the sum of payments made by Interconnection Customer, Transmission Owner will inform Interconnection Customer of the additional expenses and provide a written revision to the

estimate, together with an invoice for the amount due. Interconnection Customer shall then promptly pay Transmission Owner in full and without interest for the billed amount. If, upon completion of the procurement, installation, or construction of a discrete portion of Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, costs incurred by Transmission Owner are less than the sum of payment(s) made to Transmission Owner by Interconnection Customer, Transmission Owner shall refund the difference, unless such payments are otherwise non-refundable pursuant to Section 11.6 (Initial Payment), without interest, as soon as the necessary vouchers may be prepared.

11.9 Interconnection Customer Compensation. If Transmission Provider or Transmission Owner requests or directs Interconnection Customer to provide a service pursuant to Articles 9.6.3 (Payment for Reactive Power), or 13.5.1 of this GIA, Transmission Provider shall compensate Interconnection Customer in accordance with Interconnection Customer's applicable rate schedule then in effect unless the provision of such service(s) is subject to the Tariff. Interconnection Customer shall serve Transmission Provider with any filing of a proposed rate schedule at the time of such filing with FERC. To the extent that no rate schedule is in effect at the time the Interconnection Customer is required to provide or absorb any Reactive Power under this GIA, Transmission Provider agrees to compensate Interconnection Customer in such amount as would have been due Interconnection Customer had the rate schedule been in effect at the time service commenced; provided, however, that such rate schedule must be filed at FERC or other appropriate Governmental Authority within sixty (60) Calendar Days of the commencement of service.

11.9.1 Interconnection Customer Compensation for Actions During Emergency Condition. Transmission Provider shall compensate Interconnection Customer for its provision of real and reactive power and other Emergency Condition services that Interconnection Customer provides to support the Transmission System during an Emergency Condition in accordance with Article 11.9.

Article 12. Invoice

The terms of this Article 12 apply to billing between the Parties for construction and operation and maintenance charges. All other billing will be handled according to the Tariff.

12.1 General. Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due 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 Interconnection Facilities and the Network Upgrades, the Interconnection Customer shall receive an invoice of the final cost due under this GIA, including any applicable cost due to termination, which 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. Interconnection Customer shall receive a refund of 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 either Party will not constitute a waiver of any rights or claims either Party may have under this GIA.

12.4 Disputes. In the event of a billing dispute between the Parties, Transmission Owner, and 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 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 Owner may 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 the other Party shall pay the amount due with the accrued interest, if any.

Article 13. Emergencies

13.1 Definition. “Emergency Condition” shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, 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, or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of 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, Transmission Owner's Interconnection Facilities; or (4) 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 black start shall be considered Emergency Conditions; provided that Interconnection Customer is not obligated by the Generator Interconnection Agreement to possess black start capability.

13.2 Obligations. Each Party shall comply with the Emergency Condition procedures of NERC, the Applicable Reliability Council, Transmission Provider, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.

13.3 Notice. Transmission Provider or Transmission Owner shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Owner's Interconnection Facilities or the Transmission System that may reasonably be expected to affect Interconnection Customer's operation of the Generating Facility or Interconnection Customer's Interconnection Facilities. Interconnection Customer shall notify Transmission Provider and Transmission Owner promptly when it becomes aware of an Emergency Condition that affects the Generating Facility or Interconnection Customer's Interconnection Facilities that may reasonably be expected to affect the Transmission System or 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 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.

13.4 Immediate Action. Unless, in Interconnection Customer's reasonable judgment, immediate action is required, Interconnection Customer shall obtain the consent of Transmission Owner, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Generating Facility or Interconnection Customer's Interconnection Facilities in response to an Emergency Condition either declared by Transmission Provider or Transmission Owner or otherwise regarding the Transmission System.

13.5 Transmission Provider and Transmission Owner Authority.

13.5.1 General. Transmission Provider and/or Transmission Owner may take whatever actions or inactions with regard to the Transmission System or 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 Transmission Owner's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

Transmission Provider and Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Provider and/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 13.5.2; directing Interconnection Customer to assist with blackstart (if available) or restoration efforts; or altering the outage schedules of the Generating Facility and Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of Transmission Provider's and 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.

13.5.2 Reduction and Disconnection. Transmission Provider and/or Transmission Owner may reduce Interconnection Service or disconnect the Generating Facility or 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 Transmission Provider pursuant to Transmission Provider's Tariff. When Transmission Provider and/or Transmission Owner can schedule the reduction or disconnection in advance, Transmission Provider and/or Transmission Owner shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider and/or Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Interconnection Customer, Transmission Provider and/or Transmission Owner. 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.

13.6 Interconnection Customer Authority. Consistent with Good Utility Practice and the GIA and the GIP, Interconnection Customer may take actions or inactions with regard to the Generating Facility or 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 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 Transmission Owner's Interconnection Facilities. Transmission Provider and/or Transmission Owner shall use Reasonable Efforts to assist Interconnection Customer in such actions.

13.7 Limited Liability. Except as otherwise provided in Article 11.9.1 of this GIA, no Party shall be liable to the other Parties 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.

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 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, or the Public Utility Regulatory Policies Act of 1978 as amended by the 2005 Energy Policy Act.

14.2 Governing Law.

14.2.1 The validity, interpretation and performance of this GIA and each of its provisions shall be governed by Federal law or by the laws of the state where the Point of Interconnection is located, as applicable.

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 another and any instrument required or permitted to be tendered or delivered by any Party in writing to another 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.

Any 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 another and not required by this Agreement 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 No Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 4), 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 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 due diligence 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 shall give written notice of such Breach to the breaching Party. Except as provided in Article 17.1.2, the breaching Party shall have thirty (30) Calendar Days from receipt of the Default 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 Default 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 shall have the right to declare a Default and terminate this GIA by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this GIA, to recover from the breaching Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this GIA.

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Parties harmless from, 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 Parties' action or inactions 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. Notwithstanding the provisions of this Article 18, the liability of the Transmission Owner shall be limited to and determined in accordance with the Federal Tort Claims Act, 28. U.S.C. § 1346(c), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.

18.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 18 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 18.1, to assume the defense of such claim, such indemnified person 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.

18.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 18, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

18.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 18.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such

event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

18.2 Consequential Damages. In no event shall any Party be liable to any other Party 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 any Party may be liable to another Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Interconnection Customer Insurance. Interconnection Customer shall at its own expense, maintain in force throughout the period of this GIA, and until released by all other Parties, the following minimum insurance coverages, with insurers authorized to do business in the state where the Point of Interconnection is located:

18.3.1 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. The minimum limits for the Employers' Liability insurance shall be One Million Dollars (\$1,000,000) each accident bodily injury by accident, One Million Dollars (\$1,000,000) each employee bodily injury by disease, and One Million Dollars (\$1,000,000) policy limit bodily injury by disease.

18.3.2 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 (if applicable), independent contractors coverage, coverage for pollution (if exposure is present) and punitive or exemplary damages, with minimum limits of One Million Dollars (\$1,000,000) each occurrence/Two Million Dollars (\$2,000,000) general aggregate and Two Million Dollars (\$2,000,000) products and completed operations aggregate combined single limit for personal injury, bodily injury, including death and property damage.

18.3.3 Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage.

18.3.4 Excess Liability Insurance over and above the Employers' Liability Commercial General Liability and Comprehensive Automobile Liability Insurance coverage,

with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) each occurrence/Twenty Million Dollars (\$20,000,000) general aggregate.

18.3.5 The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other Party, its parent, 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 Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.

18.3.6 The Commercial General Liability Insurance, 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.

18.3.7 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 to by all Parties.

18.3.8 The requirements contained herein as to the types and limits of all insurance to be maintained by the Interconnection Customer are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this Agreement.

18.3.9 Within ten (10) days following execution of this GIA, 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 shall provide certification of all insurance required in this GIA, executed by each insurer or by an authorized representative of each insurer to the Other Party Group.

18.3.10 Notwithstanding the foregoing, Interconnection Customer may self-insure to meet the minimum insurance requirements of Articles 18.3.2 through 18.3.8 to the extent it maintains a self-insurance program; provided that, such Interconnection Customer's senior secured debt is rated at investment grade or better by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 18.3.2 through 18.3.8. For any period of time that an Interconnection Customer's senior secured debt is unrated by Standard & Poor's or

is rated at less than investment grade by Standard & Poor's, such Interconnection Customer shall comply with the insurance requirements applicable to it under Articles 18.3.2 through 18.3.9. In the event that Interconnection Customer 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 18.3.9.

18.3.11 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.

18.4 **Transmission Owner Insurance.** Transmission Owner is self-insured in accordance with its status as a Federal agency.

Article 19. Assignment

19.1 **Assignment.** This GIA may be assigned by any Party only with the written consent of the other Parties to any Affiliate of the assigning Party, or other third party, with an acceptable credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this GIA. Interconnection Customer shall have the right to assign this GIA, with the written consent of Transmission Provider and Transmission Owner, for collateral security purposes to aid in providing financing for the Generating Facility. 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 Transmission Provider and Transmission Owner of the date and particulars of any such exercise of assignment right(s), including providing the Transmission Provider with proof that it meets the requirements of Articles 11.7 and 18.3. 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. 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 Interconnection Customer (or any third party, but only if such third party is not acting at the direction of Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Negotiated Option (Article 5.1.3), 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, 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 any of the Parties to another 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.

If requested by any Party, a Party shall provide in writing, the basis for asserting that the information referred to in this Article 22 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, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

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 third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this GIA; or (6) is required, in accordance with Article 22.1.7 of the 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 other 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, consultants, or to parties who may be or 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 each Party discloses another other Party. The disclosure by any Party to another 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 Governmental Authority or entity with the right, power, and apparent authority to do so requests or requires a Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of 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 other Party) or return

to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.

22.1.9 Remedies. This Section 22.1.9 shall not apply to the Transmission Owner. 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 other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this 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 C.F.R. Section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to 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 C.F.R. Section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying another Party to this GIA prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Parties to the 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 C.F.R. Section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, if consistent with the applicable Federal and state laws, rules and regulations.

22.1.11 Subject to the exception in Article 22.1.10, any information that a Party claims is competitively sensitive, commercial or financial information under this GIA ("Confidential Information") shall not be disclosed by another Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this GIA or as a transmission service provider or a Control

Area operator including disclosing the Confidential Information to an RTO or ISO or to a regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

22.1.12 This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a Breach of this provision).

Article 23. Environmental Releases

23.1 Each Party shall notify the other Party, 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 the other 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 Party copies of any publicly available reports filed with any Governmental Authorities addressing such events.

23.2 Each Party shall remedy as soon as practicable all releases of Hazardous Substances brought to, or created at, real property it owns underlying the Generating Facility or Interconnection Facilities, and any such substances migrating from real property it owns at the Generating Facility site. The Party that caused the release shall bear the costs of the remedial action, which shall meet applicable Federal and state environmental standards at the time of the action. Such costs may include, but are not limited to, Federal and state supervision, remedial action plans, removal and remedial actions, and negotiation of voluntary and judicial agreements required to meet such environmental standards.

23.3 The Parties agree to comply fully with the substantive requirements of all applicable Federal, state and local environmental laws in the performance of their obligations hereunder, and to mitigate and abate adverse environmental impacts accordingly.

Article 24. Information Requirements

24.1 **Information Acquisition.** Transmission Provider and 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. The initial information submission by Transmission Provider shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Transmission System information necessary to allow Interconnection Customer to select equipment and meet any system protection and stability requirements, unless otherwise agreed to by the Parties. On a monthly basis Transmission Provider shall provide Interconnection Customer a status report on the construction and installation of Transmission Provider's Interconnection Facilities 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.

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 the other Parties are 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. Each 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 the Parties 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 another Party, to audit at its own expense that other Party's accounts and records pertaining to either Party's performance or either Party's satisfaction of obligations under this GIA. Such audit rights shall include audits of the other Party's costs, calculation of invoiced amounts, Transmission Provider's efforts to allocate responsibility for the provision of reactive support to the Transmission System, Transmission Provider's efforts to allocate responsibility for interruption or reduction of generation on the Transmission System, 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, 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 any 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 other Party 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 Parties 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 Parties 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 Transmission Owner be liable for the actions or inactions of Interconnection Customer or its subcontractors with respect to obligations of 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, the Parties agree to resolve such dispute using 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 Federal laws or 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. Joint Operating Committee

29.1 Joint Operating Committee. At least six (6) months prior to the expected Initial Synchronization Date, Interconnection Customer, Transmission Owner and Transmission Provider shall each appoint one representative and one alternate to the Joint Operating Committee. Each Party shall notify the other Parties of its appointment in writing. Such appointments may be changed at any time by similar notice. The Joint Operating Committee shall meet as necessary, but not less than once each calendar year, to carry out

the duties set forth herein. The Joint Operating Committee shall hold a meeting at the request of any Party, at a time and place agreed upon by the representatives. The Joint Operating Committee shall perform all of its duties consistent with the provisions of this GIA. All Parties shall cooperate in providing to the Joint Operating Committee all information required in the performance of the Joint Operating Committee's duties. All decisions and agreements, if any, made by the Joint Operating Committee, shall be evidenced in writing. The duties of the Joint Operating Committee shall include the following:

29.1.1 Establish data requirements and operating record requirements.

29.1.2 Review the requirements, standards, and procedures for data acquisition equipment, protective equipment, and any other equipment or software.

29.1.3 Annually review the one (1) year forecast of maintenance and planned outage schedules of Transmission Owner's and Interconnection Customer's facilities at the Point of Interconnection.

29.1.4 Coordinate the scheduling of maintenance and planned outages on the Interconnection Facilities, the Generating Facility and other facilities that impact the normal operation of the interconnection of the Generating Facility to the Transmission System.

29.1.5 Ensure that information is being provided by each Party regarding equipment availability.

29.1.6 Perform such other duties as may be conferred upon it by mutual agreement of the Parties.

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.

30.2 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, and also incorporating through reference Section 39.3 of the Tariff as if it were a part hereof, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this GIA. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, a 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 a 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 Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from 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 three 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 each 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 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 by another Party 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 the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.

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

SOUTHWEST POWER POOL, INC.

By: _____

Title: _____

Date: _____

[Insert name of Transmission Owner]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

APPENDIX A TO GIA

Interconnection Facilities, Network Upgrades and Distribution Upgrades

1. Interconnection Facilities:

(a) [insert Interconnection Customer's Interconnection Facilities]:

(b) [insert Transmission Provider's Interconnection Facilities]:

2. Network Upgrades:

(a) [insert Stand Alone Network Upgrades]:

(b) [insert Shared Network Upgrades]:

(c) [insert Previous Network Upgrades]:

3. Distribution Upgrades:

4. Interconnection Service:

Interconnection Customer has requested the following (from Appendix 1 of the GIP):

Energy Resource Interconnection Service

Network Resource Interconnection Service

5. Construction Option Selected by Customer

6. Permits, Licenses, and Authorizations

7. Description of the Point of Change of Ownership

8. Description of the Point of Interconnection

9. Higher-Queued Interconnection Customers

10. Environmental Requirements

This GIA is subject to completion of the appropriate National Environmental Policy Act (NEPA) level of Environmental Review. Until a NEPA decision document is issued, no construction activities relating to Transmission Owner's Interconnection Facilities and/or Network Upgrades may commence.

(a) [Insert Environmental Requirements for an Environmental Impact Statement (EIS) level of Environmental Review]

(b) [Insert Environmental Requirements for an Environmental Assessment (EA) level of Environmental Review]

APPENDIX B TO GIA

Milestones

APPENDIX C TO GIA

Interconnection Details

1. Description of Generating Facility:

Wind Generating Facility Output Reduction

To protect the reliability of the Transmission System, a Generating Facility that is a wind plant shall be capable of reducing its generation output in increments of no more than fifty (50) MW in five (5) minute intervals. The requirements may be met by using: (a) SCADA control of circuit breakers protecting wind farm collector distribution circuits, (b) automatic control of wind turbine power output, or (c) a combination of (a) and (b).

APPENDIX D TO GIA

Security Arrangements Details

Infrastructure security of Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day Transmission System reliability and operational security. FERC will expect all Transmission Providers, market participants, and Interconnection Customers interconnected to the Transmission System to comply with the recommendations offered by the National Infrastructure Advisory Council and, eventually, 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]

_____,
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

[Transmission Owner Address]

Re: _____ Generating Facility

Dear _____:

On [Date] [Interconnection Customer] has completed Trial Operation of Unit No. ____.
This letter confirms that [Interconnection Customer] commenced Commercial Operation of Unit
No. ____ at the Generating Facility, effective as of [Date plus one day].

Thank you.

[Signature]

[Interconnection Customer Representative]

APPENDIX F TO GIA

ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS

Notices:.

Transmission Provider:

_____,
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Billings and Payments: [Specify addresses for construction invoices, O&M invoices and settlement of ancillary services]

Transmission Provider:

_____,
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

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

Transmission Provider:

_____,
Southwest Power Pool, Inc.

201 Worthen Drive
Little Rock, AR 72223-4936
Phone: _____
Facsimile: 501-482-2022

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Operational Communications: [Identify contacts for operations]

Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Phone: _____
Facsimile: 501-482-2022

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

APPENDIX G TO GIA

REQUIREMENTS OF GENERATORS RELYING ON NEWER TECHNOLOGIES

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. the 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 Transmission System 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 Transmission System 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 power factor within the range of 0.95 leading to 0.95 lagging, 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.

APPENDIX 14 TO THE GENERATOR INTERCONNECTION PROCEDURES

INTERIM GENERATOR INTERCONNECTION AGREEMENT (INTERIM GIA)

(For use when Western-UGP is a Party to the Interim GIA, as the Transmission Owner)

TABLE OF CONTENTS

Recitals

Article 1. Definitions

Article 2. Effective Date, Term, and Termination

2.1 Effective Date

2.2 Term of Agreement

2.3 Termination Procedures

2.3.1 Termination Events

2.3.2 Default

2.4 Termination Costs

2.5 Disconnection or Limitation of Output

2.6 Survival

Article 3. Regulatory Filings

3.1 Filing

Article 4. Scope of Service

4.1 Interim Interconnection Product Options

4.1.1 Energy Resource Interim Interconnection Service

4.1.1.1 The Product

4.1.1.2 Transmission Delivery Service Implications

4.1.2 Network Resource Interim Interconnection Service

4.1.2.1 The Product

4.1.2.2 Transmission Delivery Service Implications

4.2 Provision of Service

4.2.1.1 Pre-Commercial Operation Testing

4.2.1.2 Interim Interconnection Service

4.3 Performance Standards

4.4 No Transmission Delivery Service

4.5 Interconnection Customer Provided Services

Article 5. Interconnection Facilities Engineering, Procurement, and Construction

5.1 Options

5.1.1 Standard Option

5.1.2 Option to Build

5.1.3 Negotiated Option

5.2 General Conditions Applicable to Option to Build

5.3 Reserved

5.4 Power System Stabilizers

5.5 Equipment Procurement

5.6 Construction Commencement

5.7 Work Progress

5.8 Information Exchange

5.9 Reserved

5.10 Interconnection Customer's Interconnection Facilities ('ICIF')

5.10.1 Interconnection Customer's Interconnection Facility Specifications

5.10.2 Transmission Owner's Review

5.10.3 ICIF Construction

5.10.4 Updated Information Submission by Interconnection Customer

5.10.5 Information Supplementation

5.11 Transmission Owner's Interconnection Facilities Construction

5.12 Access Rights

5.13 Lands of Other Property Owners

5.14 Permits

5.15 Early Construction of Base Case Facilities

5.16 Reserved

5.17 Reserved

5.18 Tax Status

5.19 Modification

5.19.1 General

5.19.2 Standards

5.19.3 Modification Costs

5.20 Delays

Article 6. Testing and Inspection

6.1 Pre-Commercial Operation Date Testing and Modifications

6.2 Post-Commercial Operation Date Testing and Modifications

6.3 Right to Observe Testing

6.4 Right to Inspect

Article 7. Metering

7.1 General

7.2 Check Meters

7.3 Standards

7.4 Testing of Metering Equipment

7.5 Metering Data

Article 8. Communications

8.1 Interconnection Customer Obligations

8.2 Remote Terminal Unit

8.3 No Annexation

Article 9. Operations

9.1 General

9.2 Control Area Notification

9.3 Transmission Provider and Transmission Owner Obligations

9.4 Interconnection Customer Obligations

9.5 Start-Up and Synchronization

9.6 Reactive Power

9.6.1 Power Factor Design Criteria

9.6.2 Voltage Schedules

9.6.2.1 Governors and Regulators

9.6.3 Payment for Reactive Power

9.7 Outages and Interruptions

9.7.1 Outages

9.7.1.1 Outage Authority and Coordination

9.7.1.2 Outage Schedules

9.7.1.3 Outage Restoration

9.7.2 Interruption of Service

9.7.3 Under-Frequency and Over Frequency Conditions

9.7.4 System Protection and Other Control Requirements

9.7.4.1 System Protection Facilities

9.7.5 Requirements for Protection

9.7.6 Power Quality

9.8 Switching and Tagging Rules

9.9 Use of Interconnection Facilities by Third Parties

9.9.1 Purpose of Interconnection Facilities

9.9.2 Third Party Users

9.10 Disturbance Analysis Data Exchange

Article 10. Maintenance

10.1 Transmission Owner Obligations

10.2 Interconnection Customer Obligations

10.3 Coordination

10.4 Secondary Systems

10.5 Operating and Maintenance Expenses

Article 11. Performance Obligation

11.1 Interconnection Customer Interconnection Facilities

11.2 Reserved

11.3 Transmission Owner's Interconnection Facilities

11.4 Network Upgrades and Distribution Upgrades

11.5 Transmission Credits

11.5.1 Credits for Amounts Advanced for Network Upgrades

11.5.2 Special Provisions for Affected Systems

11.6 Initial Payment

11.7 Provision of Security

11.7.1 Initial Security

11.7.2 Security Adjustment

11.8 Advance Payment

11.9 Interconnection Customer Compensation

11.9.1 Interconnection Customer Compensation for Actions During
Emergency Condition

Article 12. Invoice

12.1 General

12.2 Final Invoice

12.3 Payment

12.4 Disputes

Article 13. Emergencies

13.1 Definition

13.2 Obligations

13.3 Notice

13.4 Immediate Action

13.5 Transmission Provider and Transmission Owner Authority

13.5.1 General

13.5.2 Reduction and Disconnection

13.6 Interconnection Customer Authority

13.7 Limited Liability

Article 14. Regulatory Requirements and Governing Law

14.1 Regulatory Requirements

14.2 Governing Law

Article 15. Notices

15.1 General

15.2 Billings and Payments

15.3 Alternative Forms of Notice

15.4 Operations and Maintenance Notice

Article 16. Force Majeure

Article 17. Default

17.1 Default

17.1.1 General

17.1.2 Right to Terminate

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity

18.1.1 Indemnified Person

18.1.2 Indemnifying Party

18.1.3 Indemnity Procedures

18.2 Consequential Damages

18.3 Interconnection Customer Insurance

18.4 Transmission Owner Insurance

Article 19. Assignment

Article 20. Severability

Article 21. Comparability

Article 22. Confidentiality

22.1 Confidentiality

22.1.1 Term

22.1.2 Scope

22.1.3 Release of Confidential Information

22.1.4 Rights

22.1.5 No Warranties

22.1.6 Standard of Care

22.1.7 Order of Disclosure

22.1.8 Termination of Agreement

22.1.9 Remedies

22.1.10 Disclosure to FERC, its Staff, or a State

Article 23. Environmental Releases

Article 24. Information Requirements

24.1 Information Acquisition

24.2 Information Submission by Transmission Provider

Article 25. Information Access and Audit Rights

25.1 Information Access

25.2 Reporting of Non-Force Majeure Events

25.3 Audit Rights

25.4 Audit Rights Periods

25.4.1 Audit Rights Period for Construction-Related Accounts and Records

25.4.2 Audit Rights Period for All Other Accounts and Records

25.5 Audit Results

Article 26. Subcontractors

26.1 General

26.2 Responsibility of Principal

26.3 No Limitation by Insurance

Article 27. Disputes

27.1 Submission

Article 28. Representations, Warranties, and Covenants

28.1 General

28.1.1 Good Standing

28.1.2 Authority

28.1.3 No Conflict

28.1.4 Consent and Approval

Article 29. Joint Operating Committee

Article 30. Miscellaneous

30.1 Binding Effect

30.2 Conflicts

30.3 Rules of Interpretation

30.4 Entire Agreement

30.5 No Third Party Beneficiaries

30.6 Waiver

30.7 Headings

30.8 Multiple Counterparts

30.9 Amendment

30.10 Modification by the Parties

30.11 Reservation of Rights

30.12 No Partnership

Appendix A - Interconnection Facilities, Network Upgrades and Distribution Upgrades, Security, Type and Amount of Interconnection Service, Construction Option, and Higher Queued Project List

Appendix B – Milestones

Appendix C – Interconnection Details

Appendix D – Infrastructure and Operational Security Arrangements

Appendix E – Commercial Operation Date

Appendix F – Addresses for Delivery of Notices and Billings

Appendix G – Requirements of Generators Relying on Newer Technologies

INTERIM GENERATOR INTERCONNECTION AGREEMENT

THIS INTERIM GENERATOR INTERCONNECTION AGREEMENT

("Agreement" or "Interim GIA") is made and entered into this _____ day of _____, by and among _____, a _____ organized and existing under the laws of the State/Commonwealth of _____ ("Interconnection Customer" with a Generating Facility), Southwest Power Pool, Inc., a corporation organized and existing under the laws of the State of Arkansas ("Transmission Provider") and Western Area Power Administration- Upper Great Plains Region ("Western-UGP"), a Federal power marketing agency organized under the United States Department of Energy ("Transmission Owner"). Interconnection Customer, Transmission Provider and Transmission Owner each may be referred to as a "Party" or collectively as the "Parties."

Recitals

WHEREAS, Transmission Provider functionally controls the operation of 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 C to this Agreement; and,

WHEREAS, Transmission Owner owns facilities to which the Generating Facility is to be interconnected and may be constructing facilities to allow the interconnection; and,

WHEREAS, Transmission Provider has posted on its website a Definitive Interconnection System Impact Study that included the Interconnection Customer's Generating Facility and has conducted an additional analysis to determine the availability of Interim Interconnection Service at the time of the Interconnection Customer's requested In-Service Date and Commercial Operation Date with the Transmission System topology and in-service generation expected to be in place at that time; and,

WHEREAS, Interconnection Customer, in accordance with Section 11A.2.1 of the Generator Interconnection Procedures ("GIP"), has provided Transmission Provider with reasonable evidence of Site Control or additional security and with reasonable evidence that one or more of the milestones listed in Section 11A.2.1 has been achieved; and

WHEREAS, Interconnection Customer, Transmission Provider and Transmission Owner have agreed to enter into this Agreement for the purpose of interconnecting the Generating Facility with the Transmission System on an interim basis prior to the completion of the generator interconnection study process set forth in the GIP and execution of a Generator Interconnection Agreement;

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

When used in this Interim 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 or the Open Access Transmission Tariff (“Tariff”).

Article 1. Definitions

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 system other than the Transmission System that may be affected by the proposed interconnection.

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.

Applicable Reliability Council shall mean the reliability council applicable to the Transmission System to which the Generating Facility is directly interconnected.

Applicable Reliability Standards shall mean the requirements and guidelines of NERC, the Applicable Reliability Council, and the Control Area of the Transmission System to which the Generating Facility is directly interconnected.

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

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Interim Generator Interconnection Agreement.

Breaching Party shall mean a Party that is in Breach of the Interim Generator Interconnection Agreement.

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

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

Clustering shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting Interconnection Studies.

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 the Interim Generator Interconnection Agreement.

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

Control Area shall mean an electrical system or systems bounded by interconnection metering and telemetry, capable of controlling generation to maintain its interchange schedule with other Control Areas and contributing to frequency regulation of the interconnection. A Control Area must be certified by the Applicable Reliability Council.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Interim Generator Interconnection Agreement.

Definitive 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 a Preliminary Interconnection System Impact Study or that may be caused by the withdrawal or addition of an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Definitive Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3A of the Generator Interconnection Procedures for conducting the Definitive Interconnection System Impact Study.

Definitive Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Definitive Interconnection System Impact Study.

Dispute Resolution shall mean the procedure in Section 12 of the Tariff for resolution of a dispute between 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 that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.

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 transmission 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 the Interim Generator Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of Transmission Provider, 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 or the electric systems of others to which the Transmission System is directly connected; or (3) that, in the case of 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 Transmission Owner's Interconnection Facilities; or (4) 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 black start shall be considered Emergency Conditions; provided, that Interconnection Customer is not obligated by Interim Generator Interconnection Agreement to possess black start capability.

Energy Resource Interim Interconnection Service shall mean an Interim Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself 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.

Environmental Review shall mean a study conducted by the Transmission Owner that contains a review of the proposed interconnection to the Transmission Owner's transmission facilities, pursuant to the National Environmental Policy Act (NEPA), 42 U.S.C. §4321, et seq., as amended, and setting forth Interconnection Customer's responsibilities in connection with such review of the interconnection.

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 (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 acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Interconnection Customer's device 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 applicable to an Interconnection Request pertaining to a Generating Facility that is included in the Transmission Provider's Tariff.

Generator Interconnection Procedures (GIP) shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Generating Facility that are included in the Transmission Provider's Tariff.

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.

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.

Higher Queued Projects shall mean those projects specifically identified as "Higher Queued Projects" in Appendix A.

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 back feed power.

Interconnection Customer shall mean any entity, including the 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 the Interim Generator Interconnection Agreement, 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. 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 are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

Interconnection Facilities Study shall mean a study conducted by the Transmission Provider or a third party consultant for the Interconnection Customer to determine a list of facilities (including Transmission Owner's Interconnection Facilities and Network Upgrades as identified in the Definitive Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission System. The scope of the study is defined in Section 8 of the Generator Interconnection Procedures.

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 Facilities Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Facilities Study.

Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Generating Facility to the Transmission System, the scope of which is described in Section 6 of the Generator Interconnection Procedures.

Interconnection Feasibility Study Agreement shall mean the form of agreement contained in Appendix 2 of the Generator Interconnection Procedures for conducting the Interconnection Feasibility Study.

Interconnection Feasibility Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Feasibility Study.

Interconnection Queue Position shall mean the order of a valid Interconnection Request within the Interconnection Facilities Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Facilities Study Queue, which is established based upon the requirements in Section 4.1.3 of the Generator Interconnection Procedures.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Generator Interconnection Procedures, in accordance with the Tariff, 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 Interconnection Customer's Generating Facility to the Transmission Provider's 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 the Generator Interconnection Agreement and, if applicable, the Tariff.

Interconnection Study shall mean any of the following studies: the Interconnection Feasibility Study, the Preliminary Interconnection System Impact Study, the Definitive Interconnection System Impact Study, the Interim Availability Interconnection System Impact Study, and the Interconnection Facilities Study described in the Generator Interconnection Procedures.

Interconnection Study Agreement shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Preliminary Interconnection System Impact Study Agreement, the Definitive Interconnection System Impact Study Agreement, the Interim Availability Interconnection System Impact Study Agreement, and the Interconnection Facilities Study Agreement described in the Generator Interconnection Procedures.

Interim Availability Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of the Transmission System and, if applicable, an Affected System for the purpose of providing Interim Interconnection Service. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications on an interim basis.

Interim Availability Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 5 of the Generator Interconnection Procedures for conducting the Interim Availability Interconnection System Impact Study.

Interim Generator Interconnection Agreement (Interim GIA) shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Generating Facility to allow interconnection to the Transmission System prior to the completion of the Interconnection Study process.

Interim Interconnection Service shall mean the service provided by the Transmission Provider associated with interconnecting the Interconnection Customer's Generating Facility to the Transmission Provider's 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 the Interim Generator Interconnection Agreement and, if applicable, the Tariff.

IRS shall mean the Internal Revenue Service.

Joint Operating Committee shall be a group made up of representatives from Interconnection Customer, Transmission Owner and the Transmission Provider to coordinate operating and technical considerations of Interconnection Service.

Loss shall mean any and all losses 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 another Party's performance, or non-performance of its obligations under the Interim Generator Interconnection Agreement, on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying 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 the Interim Generator Interconnection Agreement, 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 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 Interim Interconnection Service shall mean an Interim Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with the Transmission System in a manner comparable to that in which the Transmission Owner integrates its generating facilities to serve Native Load Customers as a Network Resource. Network Resource Interim Interconnection Service in and of itself 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 to accommodate the interconnection of the Generating Facility to the Transmission System.

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with the Interim Generator Interconnection Agreement, or its performance.

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 Interim 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 to the Interim Generator Interconnection Agreement, where the Interconnection Facilities connect to the Transmission System.

Preliminary 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 an Interconnection Feasibility Study or that may be caused by an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Preliminary Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3 of the Generator Interconnection Procedures for conducting the Preliminary Interconnection System Impact Study.

Preliminary Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Preliminary Interconnection System Impact Study.

Previous Network Upgrade shall mean a Network Upgrade that is needed for the interconnection of one or more Interconnection Customers' Generating Facilities, but is not the cost responsibility of the Interconnection Customer, subject to restudy, and which is identified in Appendix A of the Generator Interconnection Agreement.

Queue shall mean the Interconnection Feasibility Study Queue, the Preliminary Interconnection System Impact Study Queue, the Definitive Interconnection System Impact Study Queue, or the Interconnection Facilities Study Queue, as applicable.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Interim Generator Interconnection Agreement efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer, Transmission Owner 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 listed in Appendix A of the Generator Interconnection Agreement that is needed for the interconnection of multiple Interconnection Customers' Generating Facilities and which is the shared funding responsibility of such Interconnection Customers that may also benefit 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 of sufficient size for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size 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 of sufficient size for such purpose.

Small Generating Facility shall mean a Generating Facility that has an aggregate net Generating Facility Capacity of no more than 2 MW.

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 the Interim Generator Interconnection Agreement.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the Transmission System 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 FERC, and as amended or supplemented from time to time, or any successor tariff.

Transmission Owner shall mean an entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of Interconnection and may be a Party to the Interim Generator Interconnection Agreement to the extent necessary.

Transmission Provider shall mean the public utility (or its Designated Agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the Tariff. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from the Transmission Provider.

Transmission Owner's Interconnection Facilities shall mean all facilities and equipment owned, controlled or operated by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Interim Generator Interconnection Agreement, 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 Stand Alone Network Upgrades or Network Upgrades.

Transmission System shall mean the facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide transmission 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.

Western Area Power Administration-Upper Great Plains Region ("Western-UGP") shall mean a division of the Western Area Power Administration, a Federal power marketing agency, and Transmission Owner, that markets and transmits Federal power over Federal transmission facilities that have been transferred to the functional control of the Transmission Provider.

Article 2. Effective Date, Term, and Termination

2.1 Effective Date. This Interim 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 Interim GIA with FERC upon execution in accordance with Article 3.1, if required.

2.2 Term of Agreement. This Interim GIA shall remain in effect from its Effective Date until the earliest occurrence of one of the termination events described in Article 2.3.1. Notwithstanding this Article 2.2 or 2.3, the maximum effective period of this Interim GIA shall be two (2) years from the Effective Date.

2.3 Termination Procedures.

2.3.1 Termination Events.

2.3.1.1 This Interim GIA may be terminated by Interconnection Customer after giving Transmission Provider and Transmission Owner ninety (90) Calendar Days advance written notice, or by Transmission Provider notifying FERC after the Generating Facility permanently ceases Commercial Operation.

2.3.1.2 This Interim GIA shall terminate upon occurrence of one or more of the following events:

(a) The Effective Date of a GIA regarding the Generating Facility that is the subject of this Interim GIA that has been accepted by FERC and/or reported in Transmission Provider's Electric Quarterly Report;

(b) The date of a FERC order rejecting an unexecuted GIA regarding the Generating Facility that is the subject of this Interim GIA;

(c) The date the Interconnection Customer's Interconnection Request is deemed withdrawn pursuant to the GIP;

(d) The Interconnection Customer's failure to pay part or all of the required security pursuant to Article 11.7; or

(e) The Transmission Provider's determination in accordance with Article 4.2.2, that Interim Interconnection Service to Interconnection Customer and the amount of power that Interconnection Customer is permitted to inject into the Transmission System from its Generating Facility pursuant to this Interim GIA is reduced to zero.

2.3.2 Default. Any Party may terminate this Interim GIA in accordance with Article 17.

2.3.3 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 Interim GIA, which notice has been accepted for filing by FERC.

2.3.4 Upon termination of this Interim GIA for any reason, Interim Interconnection Service under this Interim GIA shall cease and the provisions of Section 11A.5 of the GIP shall apply.

2.4 Termination Costs.

2.4.1 If this Interim GIA is terminated pursuant to Article 2.3.1.2(a), the cost responsibilities of Interconnection Customer and Transmission Owner pursuant to this Interim GIA will be included in the GIA regarding the Generating Facility that is the subject of this Interim GIA to the extent not satisfied during the term of this Interim GIA.

2.4.2 If this Interim GIA is terminated pursuant to Article 2.3 for any reason except as specified 2.3.1.2(a), Interconnection Customer and Transmission Owner shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment), and charges assessed by any other Party, as of the date of such Party's receipt of such notice of termination, that are the responsibility of the Terminating Party under this Interim GIA. In the event of termination by any Party, all Parties shall use Commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this Interim GIA:

2.4.2.1 With respect to any portion of Transmission Owner's Interconnection Facilities that have not yet been constructed or installed, Transmission Owner shall to the extent possible and with Interconnection Customer's authorization 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 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 Transmission Owner to cancel any pending orders of or return such materials, equipment, or contracts.

If this Interim GIA is terminated pursuant to Article 2.3 for any reason except as specified in Article 2.3.1.2(a) Interconnection Customer shall be responsible for all costs incurred in association with the Interconnection Customer's interconnection, including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment, and other expenses including any Network Upgrades for which Transmission Owner has incurred expenses and has not been reimbursed by Interconnection

Customer and shall forfeit the security paid pursuant to Article 11.5 of this Interim GIA up to the total of the costs and expenses listed in this paragraph.

2.4.2.2 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.

2.4.2.3 With respect to any portion of the Interconnection Facilities, and any other facilities already installed or constructed pursuant to the terms of this Interim GIA, Interconnection Customer shall be responsible for all costs associated with the removal, relocation or other disposition or retirement of such materials, equipment, or facilities.

2.5 Disconnection or Limitation of Output. If this Interim GIA is terminated pursuant to Article 2.3 and disconnection or limitation in generation output is required, then the Parties will take all appropriate steps to either disconnect the Generating Facility from the Transmission System or limit the amount of generation output that can be injected into the transmission system pursuant to Section 4.2.2, whichever is applicable. All costs required to effectuate such disconnection or limitation shall be borne by Interconnection Customer, unless such termination resulted from another Party's Default of this Interim GIA, which in such event the defaulting Party shall be responsible for such disconnection costs.

2.6 Survival. Except as provided in this Article 2.6, this Interim 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 Interim GIA; to permit payments for any credits under this Interim GIA; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Interim GIA was in effect; and to permit each Party to have access to the lands of another Party pursuant to this Interim GIA or other applicable agreements, to disconnect, remove or salvage its own facilities and equipment.

Article 3. Regulatory Filings

3.1 Filing. Transmission Provider shall file this Interim GIA (and any amendment hereto) with the appropriate Governmental Authority, if required. Interconnection Customer may request that any information so provided be subject to the confidentiality provisions of Article 22. If Interconnection Customer has executed this Interim GIA, or any amendment thereto, Interconnection Customer 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 Interim Interconnection Product Options. Interconnection Customer has selected the following (checked) type of Interim Interconnection Service:

4.1.1 Energy Resource Interim Interconnection Service.

4.1.1.1 The Product. Energy Resource Interim Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Transmission System 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 Energy Resource Interim Interconnection Service for the term of this Interim GIA, unless otherwise specified in Appendix A, Transmission Owner shall construct the facilities listed in Appendix A to this Interim GIA.

4.1.1.2 Transmission Delivery Service Implications. Under Energy Resource Interim Interconnection Service, 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. 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 System 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 Upgrades.

4.1.2 Network Resource Interim Interconnection Service.

4.1.2.1 The Product. Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Generating Facility in a manner comparable to that in which Transmission Owner integrates its generating facilities to serve Native Load Customers as all Network Resources. To the extent Interconnection Customer wants to receive Network Resource Interim Interconnection Service for the term of this Interim GIA, Transmission Owner shall construct the facilities identified in Appendix A to this Interim GIA.

4.1.2.2 Transmission Delivery Service Implications. Network Resource Interim Interconnection Service allows Interconnection Customer's 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 interconnected to the Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur. Although Network Resource Interim Interconnection Service does not convey a reservation of transmission service, any Network Customer under the Tariff can utilize its network service under the Tariff to obtain

delivery of energy from the interconnected Interconnection Customer's Generating Facility in the same manner as it accesses Network Resources. A Generating Facility receiving Network Resource Interim 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 an Interconnection Customer's Generating Facility has not been designated as a Network Resource by any load, 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.

Network Resource Interim Interconnection Service does not necessarily provide 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 constraints on the Transmission System, Interconnection Customer's Generating Facility shall be subject to the applicable congestion management procedures in Transmission Provider's Transmission System in the same manner as Network Resources.

The Network Resource Interim Interconnection Service studies are done in accordance with the process set out in Attachment Z1 of the Tariff. To the extent a Network Customer does designate the Generating Facility as a Network Resource, it must do so pursuant to Transmission Provider's Tariff.

Once an Interconnection Customer satisfies the requirements for obtaining Network Resource Interim 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 or not such Generating Facility is ever designated by a Network Customer as a Network Resource and regardless of changes in ownership of the Generating Facility. However, the reduction or elimination of congestion or redispatch costs may require additional studies and the construction of additional upgrades.

To the extent 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 Transmission Provider to grant such request.

4.2 Provision of Service. Transmission Provider shall provide Interim Interconnection Service for the Generating Facility at the Point of Interconnection as specified below.

4.2.1 The provision of Interim Interconnection Service and pre-commercial operation testing pursuant to this Interim GIA are contingent upon the Interconnection Facilities, Network Upgrades, Distribution Upgrades, and other necessary facilities listed in the applicable section of Appendix A to this Interim GIA being completed and in service. In no event shall pre-commercial operation testing or Interim Interconnection Service be permitted until the Interconnection Facilities, Network Upgrades, Distribution Upgrades and any other necessary facilities listed in applicable section of Appendix A to this Interim GIA are complete and in service.

4.2.1.1 Pre-Commercial Operation Testing. Interconnection Customer shall be able to sync its Generating Facility and its Interconnection Customer's Interconnection Facilities to the Transmission System for the purpose of testing pursuant to Article 6.1, once the applicable facilities described in Appendix A are complete and in service.

4.2.1.2 Interim Interconnection Service. Interconnection Customer shall be able to sync its Generating Facility and its Interconnection Customer's Interconnection Facilities to the Transmission System for the purpose of receiving Interim Interconnection Service and operating its Generating Facility up to the maximum amount for this Interim GIA, as specified in Appendix A on an "as available" basis once the applicable facilities in Appendix A are in service.

4.2.2 Interim Interconnection Service and the amount of power that Interconnection Customer is permitted to inject into the Transmission System from its Generating Facility pursuant to this Interim GIA may be reduced in whole or in part in the event that:

(a) one or more Interconnection Customer(s) with a Higher Queued Project (as specified in Appendix A): (i) has executed or subsequently executes an Interim GIA or a GIA that has been accepted by the FERC and/or reported in Transmission Provider's Electric Quarterly Report, or has an unexecuted Interim GIA or GIA filed with and accepted by the FERC for that Higher Queued Project and (ii) begins Commercial Operation of the Higher Queued Project during the term of this Interim GIA; and

(b) Transmission Provider at its sole discretion determines that Interim Interconnection Service and/or Interconnection Service cannot be provided simultaneously under this Interim GIA and to such other Interconnection Customer(s) under its Interim GIA(s) or final GIA(s) in an amount commensurate with the maximum amount specified in the respective agreements without additional Interconnection Facilities, Network Upgrades, or Distribution Upgrades.

4.2.3 Any such reduction pursuant to Article 4.2.2 will be based on the Queue Position priority of the Interconnection Customer's Interconnection Request relative to the Queue Position priority of the Higher Queued Projects.

4.3 Performance Standards. Each Party shall perform all of its obligations under this Interim GIA in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice, and to the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this Interim GIA for its compliance therewith. If such Party is a Transmission Provider or Transmission Owner, then that Party shall amend the Interim GIA and Transmission Provider shall submit the amendment to FERC for approval.

4.4 No Transmission Delivery Service. The execution of this Interim GIA does not constitute a request for, nor the provision of, any transmission delivery service under Transmission Provider's 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 Interim GIA are set forth in Article 9.6 and Article 13.5.1. Interconnection Customer shall be paid for such services in accordance with Article 11.9.

Article 5. Interconnection Facilities Engineering, Procurement, and Construction

5.1 Options. Unless otherwise mutually agreed to between the Parties, Interconnection Customer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date; and either the Option To Build as described under Article 5.1.2 or the Negotiated Option described under Article 5.1.3 if the Interconnection Customer and the Transmission Owner cannot reach agreement under the Standard Option described under Article 5.1.1, for completion of Transmission Owner's Interconnection Facilities and Network Upgrades as set forth in Appendix A, Interconnection Facilities and Network Upgrades, and such dates and selected option, as applicable, shall be set forth in Appendix B, Milestones.

5.1.1 Standard Option. Transmission Owner shall design, procure, and construct Transmission Owner's Interconnection Facilities and Network Upgrades, using Reasonable Efforts to complete Transmission Owner's Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B, Milestones. 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, and Applicable Laws and Regulations. In the event Transmission Owner reasonably expects that it will not be able to complete Transmission Owner's Interconnection Facilities, and Network Upgrades by the specified dates, Transmission Owner shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Option to Build. If the dates designated by Interconnection Customer are not acceptable to Transmission Owner, Transmission Owner shall so notify 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 on the dates specified in Article 5.1.1. Transmission Owner and Interconnection Customer 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.

5.1.3 Negotiated Option. If Interconnection Customer elects not to exercise its option under Article 5.1.2, 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, the provision of incentives or the procurement and construction of a portion of 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 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 Transmission Owner's Interconnection Facilities and Network Upgrades pursuant to Article 5.1.1, Standard Option.

5.2 General Conditions Applicable to Option to Build. If Interconnection Customer assumes responsibility for the design, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades,

- (1) Interconnection Customer shall engineer, procure equipment, and construct 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 Transmission Owner;
- (2) Interconnection Customer's engineering, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades shall comply with all requirements of law to which Transmission

Provider would be subject in the engineering, procurement or construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;

- (3) Transmission Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (4) Prior to commencement of construction, Interconnection Customer shall provide to Transmission Provider and Transmission Owner a schedule for construction of Transmission Provider'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 Owner shall have the right to gain unrestricted access to Transmission Owner'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 Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Transmission Owner, Interconnection Customer shall be obligated to remedy deficiencies in that portion of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (7) Interconnection Customer shall indemnify Transmission Provider and Transmission Owner for claims arising from 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 Transmission Provider;
- (9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Transmission Owner's Interconnection Facilities and Stand-Alone Network Upgrades to Transmission Owner not later than the Commercial Operation Date;
- (10) Transmission Owner shall approve and accept for operation and maintenance Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and
- (11) Interconnection Customer shall deliver to Transmission Owner "as-built" drawings, information, and any other documents that are reasonably required by Transmission Owner to assure that the Interconnection Facilities and Stand-

Alone Network Upgrades are built to the standards and specifications required by Transmission Provider.

5.3 Reserved.

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 reserves 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 not capable of automatic operation, Interconnection Customer shall immediately notify Transmission Owner's system operator, or its designated representative. The requirements of this paragraph shall not apply to wind generators.

5.5 Equipment Procurement. If responsibility for construction of Transmission Owner's Interconnection Facilities or Network Upgrades is to be borne by Transmission Owner, then Transmission Owner shall commence design of Transmission Owner's Interconnection Facilities or Network 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 Transmission Provider has completed the Interim Availability Interconnection System Impact Study;

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

5.5.3 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.7 and advance payment to Transmission Owner in accordance with Article 11.8 by the dates specified in Appendix B, Milestones; and

5.5.4 The Parties have executed this Interim GIA.

5.6 Construction Commencement. Transmission Owner shall commence construction of Transmission Owner's Interconnection Facilities and Network 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 Transmission Owner's Interconnection Facilities and Network Upgrades;

5.6.3 Transmission Owner has received written authorization to proceed with construction from Interconnection Customer by the date specified in Appendix B, Milestones; and

5.6.4 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.7 and advance payment to Transmission Owner in accordance with Article 11.8.

5.7 Work Progress. The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Parties may, at any time, request a progress report from other Parties. If, at any time, Interconnection Customer determines that the completion of Transmission Owner's Interconnection Facilities and Network Upgrades will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Transmission Provider and Transmission Owner of such later date upon which the completion of Transmission Owner's Interconnection Facilities and Network Upgrades will be required.

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 Parties' Interconnection Facilities and compatibility of the Interconnection Facilities with the Transmission System, and shall work diligently and in good faith to make any necessary design changes.

5.9 Reserved.

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, Interconnection Facilities, Network Upgrades and Distribution Upgrades.

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

5.10.2 Transmission Owner's Review. 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 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 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, Interconnection Customer shall deliver to 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 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 Owner specifications for the excitation system, automatic voltage regulator, Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.10.4 Updated Information Submission by Interconnection Customer. The updated information submission by the Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date. Interconnection Customer shall submit 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 and Interconnection Facilities Studies. 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 the Parties 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 Agreements 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 5.10.4. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

5.10.5 Information Supplementation. Prior to the Commercial Operation Date, or as soon as possible thereafter, the Parties shall supplement their information submissions described above in this Article 5 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 percent) 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 of 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 for each individual generating unit in a station.

Subsequent to the Commercial Operation Date, the Interconnection Customer shall provide Transmission Owner and Transmission Provider any information changes due to equipment replacement, repair, or adjustment. Transmission Owner shall provide the Interconnection Customer and Transmission Provider any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission Owner-owned 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.

5.11 Transmission Owner's Interconnection Facilities Construction. Transmission Owner's Interconnection Facilities and Network Upgrades 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, Transmission Owner shall deliver to Interconnection Customer the following "as-built" drawings, information and documents for Transmission Owner's Interconnection Facilities and Network Upgrades [include appropriate drawings and relay diagrams].

Transmission Owner will obtain control of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades upon completion of such facilities.

5.12 Access Rights. Upon reasonable notice and supervision by a Party, and subject to any required or necessary regulatory approvals, a Party ("Granting Party") shall furnish at no cost to any 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 Interim GIA pursuant to Article 2.5. 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 Transmission Owner's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Transmission Owner, 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, and to the extent consistent with Federal or state law, as applicable, 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 Transmission Owner's Interconnection Facilities and/or Network 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 Provider or Transmission Owner shall provide permitting assistance to Interconnection Customer comparable to that provided to Transmission Provider's own, or an Affiliate's generation.

5.15 Early Construction of Base Case Facilities. 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 required for Interconnection Customer to be interconnected to the Transmission System which are included in the Base Case of the Facilities Study for Interconnection Customer, and which also are required to be constructed for another Interconnection Customer, but where such construction is not scheduled to be completed in time to achieve Interconnection Customer's In-Service Date.

5.16 Reserved.

5.17 Reserved.

5.18 Tax Status. All Parties shall cooperate with each other to maintain their tax status. Nothing in this Interim 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. Each 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 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 Owner 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 System, Transmission Owner's Interconnection Facilities or Network Upgrades necessitated by such Interconnection Customer modification and a good faith estimate of the costs thereof.

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 Interim GIA and Good Utility Practice.

5.19.3 Modification Costs. Interconnection Customer shall not be directly assigned for the costs of any additions, modifications, or replacements that Transmission Owner makes to Transmission Owner's Interconnection Facilities or the Transmission System to facilitate the interconnection of a third party to Transmission Owner's Interconnection Facilities or the Transmission System, or to provide transmission service to a third party under Transmission Provider's Tariff. Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to 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.

5.20 Delays. If a Network Upgrade(s) identified in Appendix A is delayed during the construction process and the Commercial Operation Date for the Generating Facility identified in Appendix B is no longer feasible, the Commercial Operation Date in Appendix B may be modified to no later than six (6) months following the in-service date for the last Network Upgrade identified in Appendix A.

Article 6. Testing and Inspection

- 6.1 Pre-Commercial Operation Date Testing and Modifications.** Prior to the Commercial Operation Date, Transmission Owner shall test Transmission Owner's Interconnection Facilities and Network Upgrades and Interconnection Customer shall test the Generating Facility and Interconnection Customer's Interconnection Facilities to ensure their safe and reliable operation. Similar testing may be required after initial operation. Each Party shall make any modifications to its 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 System in a safe and reliable manner. Each Party shall have the right, upon advance written notice, to require reasonable additional testing of the other Party's 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 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 another Parties' tests and/or inspection of any of its System Protection Facilities and other protective equipment, including power system stabilizers; (ii) review the settings of the other Parties' System Protection Facilities and other protective equipment; and (iii) review another Parties' maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. Any 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 another 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 any 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 Interim 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 shall install Metering Equipment at the Point of Interconnection prior to any operation of the Generating Facility and shall own, operate, test and maintain such Metering Equipment. Power flows to and from the Generating Facility shall be measured at or, at Transmission Owner's option, compensated to, the Point of Interconnection. Transmission Owner shall provide metering quantities, in analog and/or digital form, to Interconnection Customer and Transmission Provider on a same-time basis using communication as provided in

Article 8. 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 Transmission Owner's meters. Such check meters shall be for check purposes only and shall not be used for the measurement of power flows for purposes of this Interim 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 Owner or its designee. The installation, operation and maintenance thereof shall be performed entirely by Interconnection Customer in accordance with Good Utility Practice.

7.3 Standards. Transmission Owner shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards.

7.4 Testing of Metering Equipment. Transmission Owner shall inspect and test all Transmission Owner-owned Metering Equipment in accordance with Transmission Owner's meter testing policies. If requested to do so by Interconnection Customer, Transmission Owner shall, at Interconnection Customer's expense, inspect or test Metering Equipment more frequently than the periods set forth in the Transmission Owner's meter testing policies. Transmission Owner shall give reasonable notice of the time when any inspection or test shall take place, and Interconnection Customer 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 Transmission Owner's failure to maintain, then Transmission Owner 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 from the measurement made by the standard meter used in the test, Transmission Owner 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 last 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 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 Owner's Transmission System

dispatcher or representative designated by Transmission Owner. 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 Owner 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 Owner. Any required maintenance of such communications equipment shall be performed by 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 the 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 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. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Transmission Owner.

Each Party will promptly advise the other Party if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by the other Party. 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 the other Parties all information that may reasonably be required by the other Parties to comply with Applicable Laws and Regulations and Applicable Reliability Standards.

9.2 Control Area Notification. At least three months before Initial Synchronization Date, Interconnection Customer shall notify Transmission Provider and Transmission Owner in writing of the Control Area in which the Generating Facility will be located. If Interconnection Customer elects to locate the Generating Facility in a Control Area other than the Control Area 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 Interim GIA, and remote Control Area 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 Control Area.

9.3 Transmission Provider and Transmission Owner Obligations. Transmission Provider and Transmission Owner shall cause the Transmission System and Transmission Owner's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this Interim GIA. Transmission Provider or Transmission Owner may provide operating instructions to Interconnection Customer consistent with this Interim GIA and Transmission Owner's operating protocols and procedures as they may change from time to time. Transmission Provider and Transmission Owner 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 Interim GIA. Interconnection Customer shall operate the Generating Facility and Interconnection Customer's Interconnection Facilities in accordance with all applicable requirements of the Control Area of which it is part, as such requirements are set forth in Appendix C, Interconnection Details, of this Interim 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 another Party provide copies of the requirements set forth in Appendix C, Interconnection Details, of this Interim 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 System.

9.6 Reactive Power.

9.6.1 Power Factor Design Criteria. Interconnection Customer shall design the Generating Facility to maintain a composite power delivery at continuous rated power output at the Point of Interconnection at a power factor within the range of 0.95 leading to 0.95 lagging, unless Transmission Provider or Transmission Owner has established different requirements that apply to all generators in the Control Area on a comparable basis. A wind generator plant shall maintain a power factor within the range of .95 leading to .95 lagging, measured at the Point of Interconnection as defined in this Interim GIA, if the Transmission Provider's Interconnection Study shows that such a requirement is necessary to ensure safety or reliability.

9.6.2 Voltage Schedules. Once Interconnection Customer has synchronized the Generating Facility with the Transmission System, Transmission Provider and/or Transmission Owner 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). Transmission Owner's voltage schedules shall treat all sources of reactive power in the Control Area in an equitable and not unduly discriminatory manner. Transmission Owner 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 System. 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 the Transmission Owner.

9.6.2.1 Governors and Regulators. Whenever the Generating Facility is operated in parallel with the Transmission System 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 Owner'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 System or trip any generating unit comprising the Generating Facility for an under or over frequency condition in accordance with Good Utility Practice and Applicable Reliability Standards.

9.6.3 Payment for Reactive Power. Transmission Provider is required to pay Interconnection Customer for reactive power that Interconnection Customer provides or absorbs from the Generating Facility when Transmission Owner requests Interconnection Customer to operate its Generating Facility outside the range specified in Article 9.6.1. Payments shall be pursuant to Article 11.9 or such other agreement to which the Parties have otherwise agreed; provided however, to the extent the Tariff contains a provision providing for such compensation, that Tariff provision shall control.

9.7 Outages and Interruptions.

9.7.1 Outages.

9.7.1.1 Outage Authority and Coordination. Each Party may in accordance with Good Utility Practice in coordination with the other Party remove from service any of its respective Interconnection Facilities or Network

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 schedule such removal on a date and time mutually acceptable to all 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. Transmission Provider shall post scheduled outages of its transmission facilities on the OASIS. Interconnection Customer shall submit its planned maintenance schedules for the Generating Facility to Transmission Provider for a minimum of a rolling twenty-four month period. 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 Interconnection Customer for any additional direct costs that 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 Interconnection Customer would have incurred absent 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, Interconnection Customer had modified its schedule of maintenance activities.

9.7.1.3 Outage Restoration. If an outage on a Party's Interconnection Facilities or Network Upgrades adversely affects another 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 explaining the nature of the outage.

9.7.2 Interruption of Service. In addition to any reduction in Interconnection Service required pursuant to Article 4.2.2, if required by Good Utility Practice to do so, Transmission Provider and/or Transmission Owner may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Transmission Provider's and/or Transmission Owner'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 System;

9.7.2.3 When the interruption or reduction must be made under circumstances which do not allow for advance notice, Transmission Provider or Transmission Owner 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 or Transmission Owner shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration. Transmission Provider or Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the interruption or reduction during periods of least impact to Interconnection Customer and Transmission Owner; and

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 System 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 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 System Protection Facilities as a part of the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Owner shall install at Interconnection Customer's expense any System Protection Facilities that may be required on Transmission Owner's Interconnection Facilities or the Transmission System as a result of the interconnection of the Generating Facility and the Interconnection Customer's Interconnection Facilities.

9.7.4.2 Each Party's protection facilities shall be designed and coordinated with other 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 Interconnection Customer's units.

9.7.4.5 Each Party will test, operate and maintain 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, each Party or its agent 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, each Party shall perform both calibration and functional trip tests of its System Protection Facilities. These tests do not require the tripping of any in-service generation 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 System 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 System. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Generating Facility and the Transmission System 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 System could adversely affect the Generating Facility.

9.7.6 Power Quality. No 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, or any applicable superseding electric industry standard, ANSI Standard C84.1-1989, or the applicable superseding electric industry standard, shall control.

9.8 Switching and Tagging Rules. Each Party shall provide the other Parties a copy of its switching and tagging rules that are applicable to the other Party's 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 Third 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 System and shall be used for no other purpose.

9.9.2 Third Party Users. If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld, to allow one or more third parties to use 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 third 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 third party users based upon the pro rata use of the Interconnection Facilities by Transmission Owner, all third 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 FERC for resolution.

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 System and Transmission Owner's Interconnection Facilities in a safe and reliable manner and in accordance with this Interim GIA.

10.2 Interconnection Customer Obligations. Interconnection Customer shall maintain the Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this Interim GIA.

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 others 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 third party and such third 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.

Article 11. Performance Obligation

11.1 Interconnection Customer Interconnection Facilities. Interconnection Customer shall design, procure, construct, install, own and/or control Interconnection Customer's Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at its sole expense.

11.2 Reserved.

11.3 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, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at the sole expense of the Interconnection Customer.

11.4 Network Upgrades and Distribution Upgrades. All Network Upgrades and Distribution Upgrades described in Appendix A shall be constructed in accordance with the process set forth in Section VI of Attachment O. Transmission Owner shall design, procure, construct, install, and own the Network Upgrades and Distribution Upgrades described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades that are associated with that Transmission Owner's system. The Distribution Upgrades and Network Upgrades described in Appendix A shall be solely funded by Interconnection Customer unless Transmission Owner elects to fund the capital for the Distribution Upgrades or Network Upgrades.

11.5 Transmission Credits.

11.5.1 Credits for Amounts Advanced for Network Upgrades. Interconnection Customer shall be entitled to credits in accordance with Attachment Z2 of the Tariff for any Network Upgrades including any tax gross-up or other tax-related payments associated with Network Upgrades, and not refunded to Interconnection Customer pursuant to Article 5.17.8.

11.5.2 Special Provisions for Affected Systems. Unless Transmission Provider provides, under the Interim GIA, for the repayment of amounts advanced to Affected System Operator for Network Upgrades, Interconnection Customer and Affected System Operator shall enter into an agreement that provides for such repayment. The agreement shall specify the terms governing payments to be made by Interconnection Customer to the Affected System Operator as well as the repayment by the Affected System Operator.

11.5.3 Notwithstanding any other provision of this Interim 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 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 transmission credits for transmission service that is not associated with the Generating Facility.

11.6 Initial Payment.

Interconnection Customer shall make an initial payment ("Initial Payment") equal to the greater of a) twenty (20) percent of the total cost of Network Upgrades, Shared Network Upgrades, Transmission Owner Interconnection Facilities and/or Distribution Upgrades listed in Appendix A or b) \$4,000/MW of the size of the Generating Facility. Any remaining milestone deposits provided in Section 8.2 and Section 8.9 of the GIP will be

applied to this requirement. The Initial Payment shall be provided to Transmission Owner or Transmission Provider as required in Appendix B by Interconnection Customer pursuant to this Article 11.6 within the later of a) thirty (30) days of the execution of the GIA by all Parties, or b) thirty (30) days of acceptance by FERC if the GIA is filed unexecuted and the payment is being protested by Interconnection Customer, or c) thirty (30) days of the filing if the GIA is filed unexecuted and the Initial Payment is not being protested by Interconnection Customer. If this GIA is terminated, then the Initial Payment shall be refunded with accrued interest, if any, to the Interconnection Customer less:

- a. any costs that have been incurred for the construction of the facilities specified in Appendix A;
- b. any funds that have been committed for the construction of those Shared Network Upgrades, or Network Upgrades, assigned to another interconnection customer where such upgrade costs would not have been assigned but for the termination of the GIA; or
- c. any costs that has been incurred for the construction of those Shared Network Upgrades, or Network Upgrades, that were paid for by another interconnection customer that are now unnecessary due to the termination of the GIA.

11.7 Provision of Security.

11.7.1 Initial Security. Payments for any upgrades installed by the Transmission Owner will be addressed in accordance with Article 11.8 of this Interim GIA. Within fifteen (15) Business Days of the date that Interconnection Customer delivers to Transmission Provider an executed Interim GIA, Interconnection Customer shall provide Transmission Provider, at Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Transmission Provider and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 14.2.1 in the amount set forth in Appendix A to this Interim GIA. This amount represents either (a) the sum of the estimated costs for which Interconnection Customer will be responsible for the construction, procurement, and installation of the applicable portion of Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades for which it will share cost responsibility as determined in the study designated in Appendix A.4. and 100 percent of the costs of Interconnection Facilities, Network Upgrades, or Distribution Upgrades for which Interconnection Customer has sole cost responsibility less the amounts required by Transmission Owner for Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades funded through Article 11.8 or (b) if the estimated costs above have not been established at the time Interconnection Customer requests Interim Interconnection Service, the initial security amount will be established by the Transmission Provider based on one or more completed studies for comparable interconnection requests less the amounts required by

Transmission Owner for Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades funded through Article 11.8.

11.7.2 Security Adjustment. In the event that the results of any subsequently posted study (e.g., Definitive Interconnection System Impact Study, Interconnection Facilities Study, or any other study required pursuant to the GIP in connection with Interconnection Service under this Interim GIA) indicates that Interconnection Customer's cost responsibility for Interconnection Facilities, Network Upgrades, or Distribution Upgrades required to interconnect its Generating Facility is less than or greater than the amount set forth in Appendix A, the amount of security required under this Interim GIA shall be adjusted to reflect the Interconnection Customer's revised amount of cost responsibility determined in such posted study less the amounts required by Transmission Owner for Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades funded through Article 11.8. Transmission Provider shall notify Interconnection Customer of the revised security amount when it posts the study. If the security amount increases, Interconnection Customer shall provide the additional amount of security within fifteen (15) Business Days of receipt of such notification. If the security amount decreases, Transmission Provider and Interconnection Customer shall take the appropriate action to reduce the amount of security held by Transmission Provider within fifteen (15) Business Days of Interconnection Customer's receipt of such notification. If Interconnection Customer fails to provide additional security as prescribed in this Article 11.5.2, this Interim GIA will be terminated in accordance with Article 2.3. In addition:

11.7.2.1 The guarantee must be made by an entity that meets the creditworthiness requirements of Transmission Provider, 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.

11.7.2.2 The letter of credit must be issued by a financial institution reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.7.2.3 The surety bond must be issued by an insurer reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.8 Advance Payment.

11.8.1 For Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades constructed by Transmission Owner under this Interim GIA, Interconnection Customer shall be required to pay Transmission Owner for all actual costs incurred by Transmission Owner for the procurement, installation, or construction of a discrete portion of a Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and shall pay

Transmission Owner, in advance, for all work to be conducted by the Transmission Owner, under the terms and conditions set forth in this Interim GIA. Such advance payments shall be considered estimated costs for project planning, management, design, engineering, land purchase, environmental investigations, procurement, construction, inspection and commissioning activities for which such advance payments are then due. The funds shall be deposited by Interconnection Customer according to the instructions on individual invoices from Transmission Owner, which shall be delivered by Transmission Owner to Interconnection Customer at least ten (10) Business Days prior to the date of such payment being due. Transmission Owner shall not provide any labor, equipment, materials, parts, travel, or incur incidental costs associated with tasks described above, or commence any other work until applicable advance payment(s) is/are received in full.

11.8.2 Interconnection Customer shall not be required to make any subsequent payment to the Transmission Owner in the event tasks relating to the prior payment have not been substantially completed.

11.8.3 Transmission Owner shall keep detailed records for actual costs incurred. Interconnection Customer shall be entitled, during normal business hours and at its own expense, to review such records and supporting documentation. If, during procurement, installation, or construction of a discrete portion of a Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, or upon close-out of any phase of such activities, costs by Transmission Owner are expected to exceed the sum of payments made by Interconnection Customer, Transmission Owner will inform Interconnection Customer of the additional expenses and provide a written revision to the estimate, together with an invoice for the amount due. Interconnection Customer shall then promptly pay Transmission Owner in full and without interest for the billed amount. If, upon completion of the procurement, installation, or construction of a discrete portion of Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, costs incurred by Transmission Owner are less than the sum of payment(s) made to Transmission Owner by Interconnection Customer, Transmission Owner shall refund the difference, unless such payments are otherwise non-refundable pursuant to Section 11.6 (Initial Payment), without interest, as soon as the necessary vouchers may be prepared.

11.9 Interconnection Customer Compensation. If Transmission Provider or Transmission Owner requests or directs Interconnection Customer to provide a service pursuant to Articles 9.6.3 (Payment for Reactive Power), or 13.5.1 of this Interim GIA, Transmission Provider shall compensate Interconnection Customer in accordance with Interconnection Customer's applicable rate schedule then in effect unless the provision of such service(s) is subject to the Tariff. Interconnection Customer shall serve Transmission Provider with any filing of a proposed rate schedule at the time of such filing with FERC. To the extent that no rate schedule is in effect at the time the Interconnection Customer is required to provide or absorb any Reactive Power under this Interim GIA, Transmission Provider

agrees to compensate Interconnection Customer in such amount as would have been due Interconnection Customer had the rate schedule been in effect at the time service commenced; provided, however, that such rate schedule must be filed at FERC or other appropriate Governmental Authority within sixty (60) Calendar Days of the commencement of service.

11.9.1 Interconnection Customer Compensation for Actions During Emergency Condition. Transmission Provider shall compensate Interconnection Customer for its provision of real and reactive power and other Emergency Condition services that Interconnection Customer provides to support the Transmission System during an Emergency Condition in accordance with Article 11.9.

Article 12. Invoice

The terms of this Article 12 apply to billing between the Parties for construction and operation and maintenance charges. All other billing will be handled according to the Tariff.

12.1 General. Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due 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 Interim 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 Interconnection Facilities and the Network Upgrades to be constructed pursuant to this Interim GIA, the Interconnection Customer shall receive an invoice of the final cost due under this Interim GIA, including any applicable cost due to termination, which 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. Interconnection Customer shall receive a refund of 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 either Party will not constitute a waiver of any rights or claims either Party may have under this Interim GIA.

12.4 Disputes. In the event of a billing dispute between the Parties, Transmission Owner, and Transmission Provider shall continue to provide Interconnection Service under this Interim GIA as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to 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 Owner may 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 the other Party shall pay the amount due, with the Transmission Provider and Interconnection Customer to pay the amount due with the accrued interest, if any.

Article 13. Emergencies

13.1 Definition. “Emergency Condition” shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, 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, or the electric systems of others to which the Transmission Provider’s Transmission System is directly connected; or (3) that, in the case of 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, Transmission Owner’s Interconnection Facilities; or (4) 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 black start shall be considered Emergency Conditions; provided, that Interconnection Customer is not obligated by the Interim Generator Interconnection Agreement, to possess black start capability.

13.2 Obligations. Each Party shall comply with the Emergency Condition procedures of NERC, the Applicable Reliability Council, Transmission Provider, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.

13.3 Notice. Transmission Provider or Transmission Owner shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Owner’s Interconnection Facilities or the Transmission System that may reasonably be expected to affect Interconnection Customer’s operation of the Generating Facility or Interconnection Customer’s Interconnection Facilities.

Interconnection Customer shall notify Transmission Provider and Transmission Owner promptly when it becomes aware of an Emergency Condition that affects the Generating Facility or Interconnection Customer’s Interconnection Facilities that may reasonably be expected to affect the Transmission System or 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 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.

13.4 Immediate Action. Unless, in Interconnection Customer’s reasonable judgment, immediate action is required, Interconnection Customer shall obtain the consent of

Transmission Owner, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Generating Facility or Interconnection Customer's Interconnection Facilities in response to an Emergency Condition either declared by Transmission Provider or Transmission Owner or otherwise regarding the Transmission System.

13.5 Transmission Provider and Transmission Owner Authority.

13.5.1 General. Transmission Provider and/or Transmission Owner may take whatever actions or inactions with regard to the Transmission System or 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 Transmission Owner's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

Transmission Provider and Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Provider and/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 13.5.2; directing Interconnection Customer to assist with black start (if available) or restoration efforts; or altering the outage schedules of the Generating Facility and Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of Transmission Provider's and 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.

13.5.2 Reduction and Disconnection. Transmission Provider and/or Transmission Owner may reduce Interconnection Service or disconnect the Generating Facility or 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, reduction, or disconnection of Transmission Provider pursuant to Transmission Provider's Tariff or Articles 2.5, 4.2.2 and 9.7.2. When Transmission Provider and/or Transmission Owner can schedule the reduction or disconnection in advance, Transmission Provider and/or Transmission Owner shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider and/or Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Interconnection Customer, Transmission Provider and/or Transmission Owner.

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.

13.6 Interconnection Customer Authority. Consistent with Good Utility Practice and this Interim GIA and the GIP, Interconnection Customer may take actions or inactions with regard to the Generating Facility or 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 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 Transmission Owner's Interconnection Facilities. Transmission Provider and/or Transmission Owner shall use Reasonable Efforts to assist Interconnection Customer in such actions.

13.7 Limited Liability. Except as otherwise provided in Article 11.9.1 of this Interim GIA, no Party shall be liable to the other Parties 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.

Article 14. Regulatory Requirements and Governing Law

14.1 Regulatory Requirements. Each Party's obligations under this Interim 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 use its Reasonable Efforts to obtain such other approvals. Nothing in this Interim 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, or the Public Utility Regulatory Policies Act of 1978, as amended by the 2005 Energy Policy Act.

14.2 Governing Law.

14.2.1 The validity, interpretation and performance of this Interim GIA and each of its provisions shall be governed by Federal law or by the laws of the state where the Point of Interconnection is located, as applicable.

14.2.2 This Interim 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 Interim GIA, any notice, demand or request required or permitted to be given by any Party to another and any instrument required or permitted to be tendered or delivered by any Party in writing to another 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.

Any Party may change the notice information in this Interim 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 another and not required by this Agreement 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 No Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 4), 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 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 due diligence 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 Interim GIA or the result of an act or omission of another Party. Upon a Breach, the non-breaching Party shall give written notice of such Breach to the breaching Party. Except as provided in Article 17.1.2, the breaching Party shall have thirty (30) Calendar Days from receipt of the Default 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 Default 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 shall have the right to declare a Default and terminate this Interim GIA by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Interim GIA, to recover from the breaching Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this Interim GIA.

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Parties harmless from, 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 Parties' action or inactions of its obligations under this Interim GIA on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party. Notwithstanding the provisions of Article 18, the liability of the Transmission Owner shall be limited to and determined in accordance with the Federal Tort Claims Act, 28. U.S.C. § 1346(c), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.

18.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 18 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 18.1, to assume the defense of such claim, such indemnified person 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.

18.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 18, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

18.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 18.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

18.2 Consequential Damages. In no event shall any Party be liable to any other Party under any provision of this Interim 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 any Party may be liable to another Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Interconnection Customer Insurance. Interconnection Customer shall at its own expense, maintain in force throughout the period of this Interim GIA, and until released

by all other Parties, the following minimum insurance coverages, with insurers authorized to do business in the state where the Point of Interconnection is located:

18.3.1 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. The minimum limits for the Employers' Liability insurance shall be One Million Dollars (\$1,000,000) each accident bodily injury by accident, One Million Dollars (\$1,000,000) each employee bodily injury by disease, and One Million Dollars (\$1,000,000) policy limit bodily injury by disease.

18.3.2 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 (if applicable), independent contractors coverage, coverage for pollution (if exposure is present) and punitive or exemplary damages, with minimum limits of One Million Dollars (\$1,000,000) each occurrence/Two Million Dollars (\$2,000,000) general aggregate and Two Million Dollars (\$2,000,000) products and completed operations aggregate combined single limit for personal injury, bodily injury, including death and property damage.

18.3.3 Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage.

18.3.4 Excess Liability Insurance over and above the Employers' Liability Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) each occurrence/Twenty Million Dollars (\$20,000,000) general aggregate.

18.3.5 The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other Party, its parent, 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 Interim GIA against the Other Party Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.

18.3.6 The Commercial General Liability Insurance, 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.

18.3.7 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 Interim GIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed to by all Parties.

18.3.8 The requirements contained herein as to the types and limits of all insurance to be maintained by the Interconnection Customer are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this Agreement.

18.3.9 Within ten (10) days following execution of this Interim GIA, 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 shall provide certification of all insurance required in this Interim GIA, executed by each insurer or by an authorized representative of each insurer to the Other Party Group.

18.3.10 Notwithstanding the foregoing, Interconnection Customer may self-insure to meet the minimum insurance requirements of Articles 18.3.2 through 18.3.8 to the extent it maintains a self-insurance program; provided that, such Interconnection Customer's senior secured debt is rated at investment grade or better by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 18.3.2 through 18.3.8. For any period of time that an Interconnection Customer's senior secured debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, Interconnection Customer shall comply with the insurance requirements applicable to it under Articles 18.3.2 through 18.3.9. In the event that Interconnection Customer 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 18.3.9.

18.3.11 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 Interim GIA.

18.4 **Transmission Owner Insurance.** Transmission Owner is self-insured in accordance with its status as a Federal agency.

Article 19 **Assignment.**

19.1 Assignment. This Interim GIA may be assigned by any Party only with the written consent of the other Parties to any Affiliate of the assigning Party, or other third party, with an acceptable credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Interim GIA. Interconnection Customer shall have the right to assign this Interim GIA, with the written consent of Transmission Provider and Transmission Owner, for collateral security purposes to aid in providing financing for the Generating Facility. 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 Transmission Provider and Transmission Owner of the date and particulars of any such exercise of assignment right(s), including providing the Transmission Provider with proof that it meets the requirements of Articles 11.7 and 18.3. Any assignment under this article not solely for collateral security purposes shall be conditioned on the simultaneous assignment of Interconnection Customer's Queue Position to assignee and assignee demonstrating the ability to enter into and fulfill the obligations of a final GIA. Any attempted assignment that violates this article is void and ineffective. Any assignment under this Interim 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. Consent to assignment will not be unreasonably withheld, conditioned or delayed.

Article 20. Severability

20.1 Severability. If any provision in this Interim 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 Interim GIA; provided that if Interconnection Customer (or any third party, but only if such third party is not acting at the direction of Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Negotiated Option (Article 5.1.3), 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, 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 any of the Parties to another prior to the execution of this Interim 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.

If requested by any Party, a Party shall provide in writing, the basis for asserting that the information referred to in this Article 22 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 Interim GIA, and for a period of three (3) years after the expiration or termination of this Interim GIA, except as otherwise provided in this Article 22, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

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 third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this Interim GIA; or (6) is required, in accordance with Article 22.1.7 of the Interim 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 Interim GIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other 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, consultants, or to parties who may be or 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 Interim 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 each Party discloses another other Party. The disclosure by any Party to another 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 Interim GIA or its regulatory requirements.

22.1.7 Order of Disclosure. If a court or a Governmental Authority or entity with the right, power, and apparent authority to do so requests or requires a Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of this Interim 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 Interim 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 other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.

22.1.9 Remedies. This section 22.1.9 shall not apply to the Transmission Owner. 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 other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this 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 C.F.R. Section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this Interim 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 C.F.R. Section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying another Party to this Interim GIA prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Parties to the Interim 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 C.F.R. Section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, if consistent with the applicable Federal and state laws, rules and regulations.

22.1.11 Subject to the exception in Article 22.1.10, any information that a Party claims is competitively sensitive, commercial or financial information under this Interim GIA ("Confidential Information") shall not be disclosed by another Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Interim GIA or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures

22.1.12 This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a Breach of this provision).

Article 23. Environmental Releases

23.1 Each Party shall notify the other Party, 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 the other 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 Party copies of any publicly available reports filed with any Governmental Authorities addressing such events.

23.2 Each Party shall remedy as soon as practicable all releases of Hazardous Substances brought to, or created at, real property it owns underlying the Generating Facility or Interconnection Facilities, and any such substances migrating from real property it owns at the Generating Facility site. The Party that caused the release shall bear the costs of the remedial action, which shall meet applicable Federal and state environmental standards at the time of the action. Such costs may include, but are not limited to, Federal and state supervision, remedial action plans, removal and remedial actions, and negotiation of voluntary and judicial agreements required to meet such environmental standards.

23.3 The Parties agree to comply fully with the substantive requirements of all applicable Federal, state and local environmental laws in the performance of their obligations hereunder, and to mitigate and abate adverse environmental impacts accordingly.

Article 24. Information Requirements

24.1 Information Acquisition. Transmission Provider and 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. The initial information submission by Transmission Provider shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Transmission System information necessary to allow Interconnection Customer to select equipment and meet any system protection and stability requirements, unless otherwise agreed to by the Parties. On a monthly basis Transmission Provider shall provide Interconnection Customer a status report on the construction and installation of Transmission Provider's Interconnection Facilities 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.

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 the other Parties are responsible under this Interim GIA; and (ii) carry out its obligations and responsibilities under this Interim 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 Interim GIA.

25.2 Reporting of Non-Force Majeure Events. Each 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 Interim 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 the Parties receiving such notification to allege a cause for anticipatory breach of this Interim GIA.

25.3 Audit Rights. Subject to the requirements of confidentiality under Article 22 of this Interim GIA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to another Party, to audit at its own expense that other Party's accounts and records pertaining to either Party's performance or either Party's satisfaction of obligations under this Interim GIA. Such audit rights shall include audits of the other Party's costs, calculation of invoiced amounts, Transmission Provider's efforts to allocate responsibility for the provision of reactive support to the Transmission System, Transmission Provider's efforts to allocate responsibility for interruption or reduction of generation on the Transmission System, 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 Interim 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 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 any Party's performance or satisfaction of all obligations under this Interim 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 other Party together with those records from the audit which support such determination.

Article 26. Subcontractors

26.1 General. Nothing in this Interim GIA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Interim GIA; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Interim GIA in providing such services and each Party shall remain primarily liable to the other Parties 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 Interim GIA. The hiring Party shall be fully responsible to the other Parties 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 Transmission Owner be liable for the actions or inactions of Interconnection Customer or its subcontractors with respect to obligations of Interconnection Customer under Article 5 of this Interim GIA. Any applicable obligation imposed by this Interim 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 Interim GIA or its performance, the Parties agree to resolve such dispute using 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 Federal law or 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 Interim 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 Interim GIA.

28.1.2 Authority. Such Party has the right, power and authority to enter into this Interim GIA, to become a Party hereto and to perform its obligations hereunder. This Interim 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 Interim 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 Interim 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 Interim GIA, and it will provide to any Governmental Authority notice of any actions under this Interim GIA that are required by Applicable Laws and Regulations.

Article 29. Joint Operating Committee

29.1 Joint Operating Committee. At least six (6) months prior to the expected Initial Synchronization Date, Interconnection Customer, Transmission Owner and Transmission Provider shall each appoint one representative and one alternate to the Joint Operating Committee. Each Party shall notify the other Parties of its appointment in writing. Such appointments may be changed at any time by similar notice. The Joint Operating Committee shall meet as necessary, but not less than once each calendar year, to carry out the duties set forth herein. The Joint Operating Committee shall hold a meeting at the request of any Party, at a time and place agreed upon by the representatives. The Joint Operating Committee shall perform all of its duties consistent with the provisions of this Interim GIA. All Parties shall cooperate in providing to the Joint Operating Committee all information required in the performance of the Joint Operating Committee's duties. All decisions and agreements, if any, made by the Joint Operating Committee, shall be evidenced in writing. The duties of the Joint Operating Committee shall include the following:

29.1.1 Establish data requirements and operating record requirements.

29.1.2 Review the requirements, standards, and procedures for data acquisition equipment, protective equipment, and any other equipment or software.

29.1.3 Annually review the one (1) year forecast of maintenance and planned outage schedules of Transmission Owner's and Interconnection Customer's facilities at the Point of Interconnection.

29.1.4 Coordinate the scheduling of maintenance and planned outages on the Interconnection Facilities, the Generating Facility and other facilities that impact the normal operation of the interconnection of the Generating Facility to the Transmission System.

29.1.5 Ensure that information is being provided by each Party regarding equipment availability.

29.1.6 Perform such other duties as may be conferred upon it by mutual agreement of the Parties.

Article 30. Miscellaneous

30.1 Binding Effect. This Interim 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.

30.2 Conflicts. In the event of a conflict between the body of this Interim GIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Interim GIA shall prevail and be deemed the final intent of the Parties.

30.3 Rules of Interpretation. This Interim 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 Interim 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 Interim 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 Interim GIA or such Appendix to this Interim 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 Interim 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 Interim GIA, including all Appendices and Schedules attached hereto, and also incorporating through reference Section 39.3 of the Tariff as if it were a

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

30.5 No Third Party Beneficiaries. This Interim 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 Interim GIA to insist, on any occasion, upon strict performance of any provision of this Interim 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 a Party of its rights with respect to this Interim 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 Interim GIA. Termination or Default of this Interim GIA for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this Interim GIA shall, if requested, be provided in writing.

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

30.8 Multiple Counterparts. This Interim GIA may be executed in three 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 Interim GIA by a written instrument duly executed by each of the Parties.

30.10 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Interim GIA by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Interim 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 Interim 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 Interim 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 by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Interim 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 Interim GIA shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership among the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.

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

SOUTHWEST POWER POOL, INC.

By: _____

Title: _____

Date: _____

[Insert name of Transmission Owner]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Appendix A to Interim GIA

Interconnection Facilities, Network Upgrades, Distribution Upgrades, Security, Type and Amount of Interconnection Service, Construction Option, and Higher Queued Project List

1. Interconnection Facilities: [include description, responsible party, and estimated costs]

A. Interconnection Customer's Interconnection Facilities

B. Transmission Owner Interconnection Facilities

2. Network Upgrades: [include description, responsible party, and estimated costs]

A. Stand Alone Network Upgrades

B. Network Upgrades For Which Interconnection Customer Is Solely Responsible

C. Network Upgrades For Which Interconnection Customer Shares Cost Responsibility

3. Distribution Upgrades: [include description, responsible party, and estimated costs]

4. Security, Credits and Taxes:

A. The amount of initial security to be provided by Interconnection Customer in accordance with Article 11.5.1 is \$ _____. The required amount of security required pursuant to this Interim GIA may be adjusted pursuant to Article 11.5.2 of this Agreement.

B. The estimated portion of the Network Upgrades identified in Section 2 of this Appendix A that could be subject to the credits described in Article 11.4 of this Agreement is \$ _____.

C. Interconnection Customer's estimated liability for reimbursement of Transmission Owner for taxes, interest and/or penalties under Article 5.17.3 of this Agreement is \$ _____.

5. Type and Amount of Interim Interconnection Service:

The type of Interim Interconnection Service to be provided pursuant to this Interim GIA shall be [Energy Resource or Network Resource] Interim Interconnection Service in the amount of _____ MW.

6. Construction Option For Stand Alone Upgrades and Transmission Owner Interconnection Facilities:

The Parties have agreed to the construction options for the Stand Alone Network Upgrades and Transmission Owner Interconnection Facilities as specified below:

A. Stand Alone Network Upgrades:

[List the Stand Alone Network Upgrade and the construction option]

B. Transmission Owner Interconnection Facilities:

[List the Transmission Owner Interconnection Facility and the option]

7. Higher Queued Projects:

[list Higher Queued Projects]

8. Permits, Licenses and Authorizations:

9. Penalty, Redispatch or Market-Related Costs:

10. One-Line Diagram:

11. Environmental Requirements

This Interim GIA is subject to completion of the appropriate National Environmental Policy Act (NEPA) level of Environmental Review. **Until a NEPA decision document is issued, no construction activities relating to Transmission Owner's Interconnection Facilities and/or Network Upgrades may commence.**

(a) [Insert Environmental Requirements for an Environmental Impact Statement (EIS) level of Environmental Review]

(b) [Insert Environmental Requirements for an Environmental Assessment (EA) level of Environmental Review]

Appendix B to Interim GIA

Milestones

Appendix C to Interim GIA

Interconnection Details

This Appendix C is an integral part of this Interim GIA.

1. Description of Generating Facility:

2. Description of Point of Change of Ownership:

3. Description of Point of Interconnection:

4. Interconnection Guidelines:

The unique requirements of each generation interconnection will dictate the establishment of mutually agreeable Interconnection Guidelines that further define the requirements of this Agreement. The Interconnection Guidelines will address, but not be limited to, the following:

Appendix D to Interim GIA

Infrastructure and Operational Security Arrangements

Infrastructure security of Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day Transmission System reliability and operational security. FERC will expect all Transmission Providers, market participants, and Interconnection Customers interconnected to the Transmission System to comply with the recommendations offered by the National Infrastructure Advisory Council and, eventually, 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 Interim GIA

Commercial Operation Date

[Date]

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

[Transmission Owner Address]

Re: _____

Dear _____:

On [Date], _____ has completed Trial Operation of referenced generation facility in the Interim Generator Interconnection Agreement dated _____. This letter confirms that _____ commenced Commercial Operation of the referenced generation facility, effective as of **[Date plus one day]**.

Thank you.

[Signature]

[Interconnection Customer Representative]

Appendix F to Interim GIA

ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS

Notices:

Transmission Provider:

_____,
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be Supplied]

Interconnection Customer:

[To be Supplied]

Billings and Payments: [Specify addresses for construction invoices, O&M invoices and settlement of ancillary services]

Transmission Provider:

_____,
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be Supplied]

Interconnection Customer:

[To be Supplied]

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

Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Phone: _____
Facsimile: 501-482-2022

Transmission Owner:

[TO BE SUPPLIED]

Interconnection Customer:

[TO BE SUPPLIED]

Operational Communications: [Identify contacts for operations]

Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Phone: _____
Facsimile: 501-482-2022

Transmission Owner:

[TO BE SUPPLIED]

Interconnection Customer:

[TO BE SUPPLIED]

Appendix G to Interim GIA

REQUIREMENTS OF GENERATORS RELYING ON NEWER TECHNOLOGIES

Appendix G sets forth requirements and provisions specific to a wind generating plant. All other requirements of this Interim 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. the 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 Transmission System 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 Transmission System 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 power factor within the range of 0.95 leading to 0.95 lagging, measured at the Point of Interconnection as defined in this Interim 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.

ATTACHMENT W
INDEX OF GRANDFATHERED AGREEMENTS

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
1	GRDA/KAMO Generation Participation	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
2	East Miami	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
5	Byng & Chickasaw Nation	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 6/30/2015 with rollover provisions thereafter
6	City of Skiatook	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
7	345/KV Transmission Agreement	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
8	345/KV Transmission Agreement	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
10	WFEC/BANK	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
11	WFEC/BANK	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
12	City of Poplar Bluff	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
13	City of Paragould	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
14	CSWS/GRDA Network Load/Ramona	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
15	CSWS/GRDA Network Load/Pryor Others	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
16	AECI/GRDA Interconnect Agreement	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
17	AECI/GRDA Interconnect Agreement	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
18	Agreement between Western Farmers Electric Cooperative and the Anadarko Public Works Authority, Anadarko, Oklahoma	Western Farmers Electric Cooperative	Anadarko, Oklahoma Public Works Authority		All requirements wholesale power supply agreement	Agreement shall remain in effect until cancelled by either party giving written notice to the other delivered at least two years prior to July 31, 2007, or thereafter upon one years' written notice on any annual anniversary of agreement.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
21	Agreement between Western Farmers Electric Cooperative and the New Cordell Utility Authority, Cordell, Oklahoma	Western Farmers Electric Cooperative	New Cordell Utility Authority		All requirements wholesale power supply agreement	Agreement shall remain in effect until cancelled by either party giving written notice to the other delivered at least two years prior to August 31, 2007, or thereafter upon one years' written notice on any annual anniversary of agreement.
22	Interchange Agreement between Western Farmers Electric Cooperative and the City of Electra, Texas	Western Farmers Electric Cooperative	City of Electra, Texas		All requirements wholesale power supply agreement	Agreement shall remain in effect until cancelled by either party giving written notice to the other delivered at least two years prior to May 31, 2007, or thereafter upon one years' written notice on any annual anniversary of agreement.
23	Wholesale Power Contract with Member Cooperatives	Western Farmers Electric Cooperative	Western Farmers Electric Cooperative and its Member Co-ops		All requirements wholesale power supply agreement (currently approximately 800 MW)	Agreement shall continue in effect until July 1, 2025, and thereafter until terminated by either party's giving to the other not less than six months' written notice of its desire to terminate.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
24	Agreement between Western Farmers Electric Cooperative and the Mooreland Public Works Authority, Mooreland, Oklahoma	Western Farmers Electric Cooperative	Morland Public Works Authority		All requirements wholesale power supply agreement	Agreement shall remain in effect until cancelled by either party giving written notice to the other delivered at least one years prior to March 31, 2007, or thereafter upon one years' written notice on any annual anniversary of agreement.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
26	Agreement between Western Farmers Electric Cooperative and the City of Watonga, Oklahoma	Western Farmers Electric Company	City of Watonga, Oklahoma		All requirements wholesale power supply agreement	Agreement shall remain in effect until cancelled by either party giving written notice to the other delivered at least one years prior to March 31, 2007, or thereafter upon one years' written notice on any annual anniversary of agreement.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
27	Transmission Service Agreement between Southwestern Electric Power Company and City of Lafayette, Louisiana	Southwestern Electric Power Company	City of Lafayette, Louisiana		Firm TS	year-to-year
28	Transmission Service Agreement between KAMO Electric Cooperative, Inc. and Public Service Company of Oklahoma	Public Service Company of Oklahoma	KAMO Electric Cooperative, Inc.		Firm TS	year-to-year
29	Contract for Electric Service between Public Service Company of Oklahoma and South Coffeyville Public Works Authority	Public Service Company of Oklahoma	City of S. Coffeyville, Oklahoma		Full RQ	year-to-year

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
38	Contract for Electric ServiceContract No. 3950003	Public Service Company of Oklahoma	Northeast Oklahoma Electric Cooperative, Inc.		Full RQ	

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
39	Amended Agreement for Interchange of Electric Power and Energy between Grand River Dam Authority and Public Service Company of Oklahoma	Public Service Company of Oklahoma	Grand River Dam Authority		Firm TS	until canceled
40	Amended Agreement for Interchange of Electric Power and Energy between Grand River Dam Authority and Public Service Company of Oklahoma	Grand River Dam Authority	Public Service Company of Oklahoma		n/a	until canceled

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
46	Power Supply Agreement between Southwestern Electric Power Co. and Rayburn Country Electric Cooperative	Southwestern Electric Power Company	Rayburn Country		Full RQ	year-to-year

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
56	ELECTRICAL CAPACITY, ENERGY, AND SERVICE SALES AGREEMENT BETWEEN CITIES OF NIXA AND SPRINGFIELD, MISSOURI	City Utilities of Springfield, MO	Nixa, MO		Point To Point	On-going

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
57	AMENDED INTERCHANGE AGREEMENT BY AND AMONG ASSOCIATED ELECTRIC COOPERATIVE, INC., THE EMPIRE DISTRICT ELECTRIC COMPANY, GRAND RIVER DAM AUTHORITY, SOUTHWESTERN ELECTRIC POWER COMPANY, AND BOARD OF PUBLIC UTILITIES OF SPRINGFIELD, MISSOURI FOR THE GRDA COAL PLANT - FLINT CREEK POWER PLANT – BROOKLINE – MORGAN 345 KILOVOLT INTERCONNECTION				Point To Point	On-going

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
58	UNITED STATES DEPARTMENT OF ENERGY SOUTHWESTERN POWER ADMINISTRATION POWER SALES CONTRACT between UNITED STATES OF AMERICA and BOARD OF PUBLIC UTILITIES OF THE CITY OF SPRINGFIELD, MISSOURI	City Utilities of Springfield, MO	Southwestern Power Administration		Point To Point	(Will be extended) On- going

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
62	Transmission Service Contract	Ponca City Utility Authority	Oklahoma Municipal Power Authority		Ponca City Utility Authority agrees to receive power energy not to exceed the Interconnection Capacity.	May be terminated by either party after December 31, 2014, on any December 31st with a 5 year prior written notice to the other party.
63	SPA Transmission Service Contract	Southwestern Power Administration	Oklahoma Municipal Power Authority			Either party can terminate the contract provided they give 30 days notice to the other party.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
68	WTU Transmission Service Agreement	West Texas Utilities	Oklahoma Municipal Power Authority		Transmission for the unit capacity entitlement in Oklaunion Unit No. 1 to the south terminal of the Oklaunion HVDC Tie.	Cessation of Oklaunion Unit No. 1 in terms of ownership or abandon and retirement.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
73	Hydro Peaking Power Purchase contract - Kaw Valley and EDE	Empire District Electric Company	Kaw Valley		Point To Point/NF	3 years after written notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
78	Electric Interchange Agreement - Iatan	Kansas City Power and Light	Empire District Electric Company		Point To Point	year to year

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
83	Southwest Power Administration (SWPA) OATT	Oklahoma Gas and Electric Company	Southwestern Power Administration	FERC Electric Tariff, Second Revised Volume No.2- OATT NSA- SVC Agmnt, NOA- SVC Agmnt	OG&E OATT- Network SVC	Current contract will terminate on 5/31/2014

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
93	Federal	Southwestern Power Administration	Augusta, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None
94	Federal	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	None
95	Federal	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	None
96	Federal	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	None
97	Federal	Arkansas Electric Co-op	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
98	Federal	Arkansas Electric Co-op	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
99	Federal	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	None
100	SPA Pre-OATT Service	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2020 with roll-over rights to SPP Tariff service

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
101	SPA OATT NITSA	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 12/31/2020 with roll-over rights to SPP Tariff service
102	Federal	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	None
103	Federal	Associated Electric	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
104	Federal	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	None
105	Federal	Associated Electric	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
106	SPA OATT NITSA	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 5/31/2020 with roll-over rights to SPP Tariff service
107	SPA Pre-OATT Service	Southwestern Power Administration	Public Service Company of Oklahoma	SPA-214	Pre-Order 888 Service Firm in nature	Through 6/30/2020 with roll-over rights to SPP Tariff service

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
108	SPA Pre-OATT Service	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 2/29/2016. To be converted to Interconnection Facilities Service pursuant to Attachment AD thereafter.
109	Federal	Southwestern Power Administration	Public Service Company of Oklahoma		Pre-Order 888 Service With Redirect Rights Firm in nature	None
110	Federal	Southwestern Power Administration	Anthony, KS		Pre-Order 888 Service With Redirect Rights Firm in nature	None
111	Federal	Southwestern Power Administration	Beauregard		Pre-Order 888 Service With Redirect Rights Firm in nature	None
112	Federal	Southwestern Power Administration	Bentonville, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None
113	Federal	Southwestern Power Administration	Brazos		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
115	Federal	Southwestern Power Administration	Carthage, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
116	SPA Pre-OATT Service	Southwestern Power Administration	Carthage, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2030 with roll-over rights to SPP Tariff service
117	Federal	Carthage, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
118	SPA Pre-OATT Service	Southwestern Power Administration	Sikeston, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2015. To be converted to Interconnection Facilities Service pursuant to Attachment AD thereafter.
119	Federal	Southwestern Power Administration	Fulton, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
120	Federal	Southwestern Power Administration	Claiborne		Pre-Order 888 Service With Redirect Rights Firm in nature	None
121	Federal	Southwestern Power Administration	Clarksville, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None
122	SPA Pre-OATT Service	Southwestern Power Administration	Clarksville, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 5/31/2020 with roll-over rights to SPP Tariff service

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
123	Federal	Southwestern Power Administration	Coffeyville, KS		Pre-Order 888 Service With Redirect Rights Firm in nature	None
124	Federal	Southwestern Power Administration	Comanche, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
125	Federal	Southwestern Power Administration	Concordia		Pre-Order 888 Service With Redirect Rights Firm in nature	None
126	Federal	Southwestern Power Administration	Copan, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
127	Federal	Southwestern Power Administration	Dixie Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	None
128	Federal	Southwestern Power Administration	DOD - McAlester		Pre-Order 888 Service With Redirect Rights Firm in nature	None
129	Federal	Southwestern Power Administration	Duncan, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
130	Federal	Southwestern Power Administration	Eldorado, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
131	Federal	Empire District Electric Company	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
132	Federal	Southwestern Power Administration	Empire District Electric Company		Pre-Order 888 Service With Redirect Rights Firm in nature	None
133	Federal	ES	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
134	SPA Pre-OATT Service	Southwestern Power Administration	ES		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2020. To be converted to Interconnection Facilities Service pursuant to Attachment AD thereafter.
135	Federal	Southwestern Power Administration	Fort Sill, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
136	Federal	Southwestern Power Administration	Goltry, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
137	Federal	Southwestern Power Administration	Granite, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
138	Federal	Grand River Dam Authority	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
139	Federal	Southwestern Power Administration	Grand River Dam Authority		Pre-Order 888 Service With Redirect Rights Firm in nature	None
140	Federal	Grand River Dam Authority	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
141	Federal	Southwestern Power Administration	Grand River Dam Authority		Pre-Order 888 Service With Redirect Rights Firm in nature	None
142	SPA Pre-OATT Service	Southwestern Power Administration	Grand River Dam Authority		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2020. To be converted to Interconnection Facilities Service pursuant to Attachment AD thereafter.
143	SPA Pre-OATT Service	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2020. To be converted to Interconnection Facilities Service pursuant to Attachment AD thereafter

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
144	SPA Pre-OATT Service	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2020. To be converted to Interconnection Facilities Service pursuant to Attachment AD thereafter.
145	Federal	Southwestern Power Administration	Hermann, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
146	Federal	Southwestern Power Administration	Higginsville, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
147	Federal	Southwestern Power Administration	Hominy, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
149	Federal	Southwestern Power Administration	Jefferson Davis		Pre-Order 888 Service With Redirect Rights Firm in nature	None
150	Federal	Southwestern Power Administration	Jonesboro, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
151	Federal	Southwestern Power Administration	Jonesboro, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None
152	Federal	Jonesboro, AR	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
153	Federal	Southwestern Power Administration	Kansas City, KS		Pre-Order 888 Service With Redirect Rights Firm in nature	None
154	Federal	Southwestern Power Administration	Kaw Valley		Pre-Order 888 Service With Redirect Rights Firm in nature	None
155	Federal	Southwestern Power Administration	Kennett, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
156	Federal	Southwestern Power Administration	Kennett, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
157	Federal	Kennett, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
158	Federal	Southwestern Power Administration	Kennett, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
160	Federal	Southwestern Power Administration	KEPCO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
161	Federal	Southwestern Power Administration	KMEA		Pre-Order 888 Service With Redirect Rights Firm in nature	None
162	Federal	Southwestern Power Administration	Lafayette, LA		Pre-Order 888 Service With Redirect Rights Firm in nature	None
163	Federal	Southwestern Power Administration	Lamar, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
164	Federal	Southwestern Power Administration	Louisiana Energy and Power Authority		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
165	Federal	Southwestern Power Administration	Lexington, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
166	Federal	Southwestern Power Administration	Malden, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
167	Federal	Southwestern Power Administration	Malden, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
168	Federal	Malden, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
169	Federal	Southwestern Power Administration	Malden, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
170	Federal	Malden, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
171	SPA Pre-OATT Service	Southwestern Power Administration	Malden, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 5/31/2020 with roll-over rights to SPP Tariff service

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
172	Federal	Southwestern Power Administration	Manitou, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
173	Federal	Southwestern Power Administration	Minden, LA		Pre-Order 888 Service With Redirect Rights Firm in nature	None
174	Federal	Southwestern Power Administration	Natchitoches, LA		Pre-Order 888 Service With Redirect Rights Firm in nature	None
175	Federal	Southwestern Power Administration	Nemaha-Marshall		Pre-Order 888 Service With Redirect Rights Firm in nature	None
176	Federal	Southwestern Power Administration	New Madrid, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
177	SPA Pre-OATT Service	Southwestern Power Administration	New Madrid, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2022 with roll-over rights to SPP Tariff service
178	Federal	Southwestern Power Administration	Nixa, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
179	SPA Pre-OATT Service	Southwestern Power Administration	Nixa, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2015 with roll-over rights to SPP Tariff service
180	Federal	Southwestern Power Administration	Northeast Louisiana		Pre-Order 888 Service With Redirect Rights Firm in nature	None
181	Federal	Southwestern Power Administration	Northeast Texas Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	None
182	Federal	Southwestern Power Administration	Northeast Texas Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	None
183	Federal	Southwestern Power Administration	Northeast Texas Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	None
184	Federal	Northeast Texas Electric Cooperative	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
187	Federal	Southwestern Power Administration	Olustee, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
188	Federal	Southwestern Power Administration	Paragould, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None
189	SPA Pre-OATT Service	Southwestern Power Administration	Paragould, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2038 with roll-over rights to SPP Tariff service
190	Federal	Southwestern Power Administration	Paragould, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None
191	Federal	Paragould, AR	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
192	Federal	Southwestern Power Administration	Paris, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
193	SPA Pre-OATT Service	Southwestern Power Administration	People's		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 12/31/2022 with roll-over rights to SPP Tariff service
194	SPA Pre-OATT Service	Southwestern Power Administration	People's		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 12/31/2019 with roll-over rights to SPP Tariff service
195	Federal	Southwestern Power Administration	Piggott, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None
196	SPA Pre-OATT Service	Southwestern Power Administration	Piggott, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2020 with roll-over rights to SPP Tariff service
197	Federal	Southwestern Power Administration	Piggott, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None
198	Federal	Piggott, AR	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
199	Federal	Southwestern Power Administration	Piggott, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
200	Federal	Piggott, AR	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
201	Federal	Southwestern Power Administration	Pointe Coupee		Pre-Order 888 Service With Redirect Rights Firm in nature	None
202	Federal	Southwestern Power Administration	Poplar Bluff, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
203	Federal	Southwestern Power Administration	Poplar Bluff, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
204	Federal	Poplar Bluff, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
205	SPA Pre-OATT Service	Southwestern Power Administration	Poplar Bluff, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2039 with roll-over rights to SPP Tariff service
206	Federal	Southwestern Power Administration	Purcell, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
207	Federal	Southwestern Power Administration	Rayburn Country		Pre-Order 888 Service With Redirect Rights Firm in nature	None
208	Federal	Southwestern Power Administration	Ryan, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
209	Federal	Southwestern Power Administration	Sam Rayburn Dam EC		Pre-Order 888 Service With Redirect Rights Firm in nature	None
210	Federal	Southwestern Power Administration	Sam Rayburn MPA		Pre-Order 888 Service With Redirect Rights Firm in nature	None
211	Federal	Southwestern Power Administration	Sikeston, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
212	Federal	Southwestern Power Administration	Sikeston, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
213	Federal	Sikeston, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
214	SPA Pre-OATT Service	Southwestern Power Administration	Sikeston, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 6/30/2015. To be converted to Interconnection Facilities Service pursuant to Attachment AD thereafter.
215	Federal	Southwestern Power Administration	Skiatook, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
216	Federal	Southwestern Power Administration	South Louisiana		Pre-Order 888 Service With Redirect Rights Firm in nature	None
217	Federal	Southwestern Power Administration	Southwest Louisiana		Pre-Order 888 Service With Redirect Rights Firm in nature	None
218	Federal	Southwestern Power Administration	Spiro, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
219	Federal	Southwestern Power Administration	Springfield, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
220	Federal	Southwestern Power Administration	Springfield, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
221	Federal	Springfield, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
223	Federal	Southwestern Power Administration	Tex-La of Texas		Pre-Order 888 Service With Redirect Rights Firm in nature	None
224	Federal	Southwestern Power Administration	Thayer, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
225	Federal	Southwestern Power Administration	Valley		Pre-Order 888 Service With Redirect Rights Firm in nature	None
226	Federal	Southwestern Power Administration	Vance Air Force Base, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
227	Federal	Southwestern Power Administration	Walters, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
228	Federal	Southwestern Power Administration	WAPA		Pre-Order 888 Service With Redirect Rights Firm in nature	None
229	Federal	WAPA	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None
230	Federal	Southwestern Power Administration	Washington-St Tammany		Pre-Order 888 Service With Redirect Rights Firm in nature	None
231	Federal	Southwestern Power Administration	West Plains, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	None
232	Federal	Southwestern Power Administration	Wetumka, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None
233	Federal	Southwestern Power Administration	Western Farmers Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	None
234	Federal	Western Farmers Electric Company	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
235	Federal	Southwestern Power Administration	Western Farmers Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	None
236	SPA Pre-OATT Service	Southwestern Power Administration	Western Farmers Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 5/31/2020 with roll-over rights to SPP Tariff service
237	SPA Pre-OATT Service	Southwestern Power Administration	Western Farmers Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	Through 5/31/2020 with roll-over rights to SPP Tariff service
238	Federal	Southwestern Power Administration	Western Farmers Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	None
239	Federal	Southwestern Power Administration	Yale, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	None

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
270	Electric Interconnection Agreement	Westar Energy	City of McPherson, Kansas	FERC rate schedule 127 dockets E-7893, ER78-196, ER78-626, ER80-527, ER83-616, ER92-379	Long-term firm service agreement	5/31/2039 & then year to year, (5) years prior written notice.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
299	Agreement Respecting Certain Eastern Kansas Transmission Installations	Kansas Gas and Electric	Empire District Electric Company		Line lease agreement	3 yr prior notice
302	Lease Agreement	Kansas Gas and Electric	Kansas City Power and Light	FERC rate schedule KGE- 160 dockets ER85-386	Line lease; Wolf Creek to LaCygne 345 kV	Year to Year 2 yr prior notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
306	Border Customer Agreement	Westar Energy	BPU-Kansas City, KS		Service to border customers	
307	Electrical Interconnection Agreement	Westar Energy	BPU-Kansas City, KS	FERC rate schedule Western Resources-272 dockets ER94-125	Interconnection	4/26/06 and then year to year 10 yr prior notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
310	Electric Interconnect Contract – Schedule M	Westar Energy	Kansas Gas and Electric	Supplement No. 15 to No. 93 ER83-527 with 32 subsequent dockets	Interconnection	2 yr prior notice
311	Jeffrey Energy Center Transmission Agreement	Westar Energy	Kansas Gas and Electric	254 dockets ER89-485, ER90-235, ER90-300, ER90-478, ER90-500, ER92-29, ER92-239, ER96-1728, ER96-1728	Interconnection	This agreement supports the Joint Ownership of the Jeffrey Energy Center Terminates upon the retirement of the last generating unit in which KGE has an ownership share at the Jeffrey Energy Center or upon the transfer of any or all of KGE's interest in the Jeffrey Energy Center pursuant to the ownership agreement, whichever comes first
312	Electric Interconnection Contract	Westar Energy	Kansas Gas and Electric	FERC rate schedule KGE-93, Western Resources-6	Interconnection Burton & Peabody	Year to Year 3 yr prior notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
313	Interconnection Agreement	Westar Energy	Kansas Gas and Electric	FERC rate schedule KGE-25, Western Resources-9	Interconnection	On-Going 6 months prior notice
314	Transmission Service Agreement	Westar Energy	Midwest Energy, Inc	FERC rate schedule 265 dockets ER93-849, OA96-100	Long-term firm service agreement 60.5 MW @ POR, 60.0 MW @ POD	extends until canceled. Trans Svc Agrmt Ex. A - extended under the provisions of Section 6 Paragraph 6.2 of MWE RS No. 184 - thru 09/30/2013 or approval of CBFR.)

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
317	Electric Interconnection and Interchange Agreement	Westar Energy	Nebraska Public Power District	FERC rate schedule not assigned or filed	Interconnection has not been established	5/1/14 4 yr prior notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
319	Agreement for Sale of Power and Interconnected Operation	Kansas Gas and Electric	Oklahoma Gas and Electric Company	FERC rate schedule OGE-32, KGE-75	Interconnection	On-Going 3 yr prior notice
320	Amended Electric Interconnection Contract	Westar Energy	Omaha Public Power District	FERC rate schedule Western Resources-277 OA97-314	Interconnection	Year to Year 3 yr prior notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
323	Agreement for Interchange of Power and Interconnected Operation	Kansas Gas and Electric	Public Service Company of Oklahoma	FERC rate schedule PSO-161, KGE-97	Interchange	On-Going 3 yr prior notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
326	Jeffrey Energy Center Transmission Agreement	Westar Energy	UtiliCorp United, Inc.'s Missouri Public Service Division	256 dockets ER89-485, ER90-235, ER90-300, ER90-478, ER90-500, ER92-29, ER92-239, ER96-1728, ER96-1728	Interconnection	This agreement supports the Joint Ownership of the Jeffrey Energy Center Terminates upon the retirement of the last generating unit in which UtiliCorp United has an ownership share at the Jeffrey Energy Center or upon the transfer of any or all of UtiliCorp United's interest in the Jeffrey Energy Center pursuant to the ownership agreement, whichever comes first. Up to 8% of the output of the Jeffrey Energy Center plus reassigned amounts. Current year amount is 338 MW.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
327	Jeffrey Energy Center Transmission Agreement	Westar Energy	UtiliCorp United, Inc.'s WestPlains Division Central Telephone	dockets ER89-485, ER90-235, ER90-300, ER90-478, ER90-500, ER92-29, ER92-239, ER96-1728, ER96-1728	Interconnection	This agreement supports the Joint Ownership of the Jeffrey Energy Center Terminates upon the retirement of the last generating unit in which UtiliCorp United has an ownership share at the Jeffrey Energy Center or upon the transfer of any or all of UtiliCorp United's interest in the Jeffrey Energy Center pursuant to the ownership agreement, whichever comes first. Up to 8% of the output of the Jeffrey Energy Center plus reassigned amounts. Current year amount is 338 MW.

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
328	Power Interchange Agreement	Kansas Gas and Electric	Utilicorp-MPS	FERC rate schedule MPS-19, KGE-106	Interchange	Year to Year 3 yr prior notice
329	Electric Interchange Agreement	Westar Energy	Utilicorp-MPS	FERC rate schedule MPS-18, Western Resources-84	Interchange	Year to Year 36 mos prior notice
331	Electric Interconnection Agreement	Kansas Gas and Electric	Utilicorp-WPD The Western Light & Telephone Co.	WPE-6, KGE-101	Interconnection	Year to Year 3 yr prior notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
334	Transmission Service Agreement	Kansas City Power & Light	AECI	Firm TS Sch 89 ER94-1101-002	Point to Point	year to year, 18 mo notice
335	Transmission Service Agreement	Kansas City Power & Light	AECI	Firm TS Sch 89 ER94-1101-002	Point to Point	year to year, 18 mo notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
342	Municipal Participation Agreement	Kansas City Power & Light	Baldwin	85 - ER94-1101-002	Point To Point	year to year, 42 mo notice
343	Interchange Agreement (UE)	Kansas City Power & Light	AMRN	104 - ER94-1101-002	Point To Point	year to year, 36 mo notice
344	Municipal Participation Agreement	Kansas City Power & Light	Garnett	78 - ER94-1101-002	Point To Point	year to year, 42 mo notice
345	Municipal Participation Agreement	Kansas City Power & Light	Osawatomie	77 - ER94-1101-002	Point To Point	year to year, 42 mo notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
346	Municipal Participation Agreement	Kansas City Power & Light	Ottawa	90 - ER94-1101-002	Point To Point	year to year, 42 mo notice
347	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	108	Network	year to year, 42 mo notice
348	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	105	Network	year to year, 42 mo notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
353	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	108 - ER96-1225	Point To Point	year to year, 42 mo notice
356	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	77 - ER96-2218	Point To Point	year to year, 42 mo notice
357	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	78 - ER96-2099	Point To Point	year to year, 42 mo notice
358	Municipal Participation Agreement	Kansas City Power & Light	Ottawa	90 - ER94-1101-002	Point To Point	year to year, 42 mo notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
359	Municipal Participation Agreement	Kansas City Power & Light	Osawatomie	77 - ER94-1101-002	Point To Point	year to year, 42 mo notice
360	Municipal Participation Agreement	Kansas City Power & Light	Higginsville	108 - ER94-1101-002	Point To Point	year to year, 42 mo notice
361	Municipal Participation Agreement	Kansas City Power & Light	Garnett	78 - ER94-1101-002	Point To Point	year to year, 42 mo notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
365	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 128 - ER00-1247-000	Point To Point	1/31/2003 - Ongoing per KCPL OATT
366	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 128 - ER00-1247-000	Point To Point	1/31/2007 - Ongoing per KCPL OATT
367	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 128 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT
368	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 130 - ER00-1247-000	Point To Point	1/31/2003 - Ongoing per KCPL OATT
369	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 130 - ER00-1247-000	Point To Point	1/31/2007 - Ongoing per KCPL OATT
370	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 130 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT
371	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 131 - ER00-1247-000	Point To Point	1/31/2003 - Ongoing per KCPL OATT
372	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 131 - ER00-1247-000	Point To Point	1/31/2007 - Ongoing per KCPL OATT
373	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 131 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
374	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 134 - ER00-1247-000	Point To Point	1/31/2003 - Ongoing per KCPL OATT
375	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 134 - ER00-1247-000	Point To Point	1/31/2007 - Ongoing per KCPL OATT
376	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 134 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT
377	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 135 - ER00-1247-000	Point To Point	1/31/2003 - Ongoing per KCPL OATT
378	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 135 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT
379	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 129 - ER00-1247-000	Point To Point	1/31/2003 - Ongoing per KCPL OATT
380	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 129 - ER00-1247-000	Point To Point	1/31/2007 - Ongoing per KCPL OATT
381	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 129 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT
382	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 132 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT
383	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 133 - ER00-1247-000	Point To Point	1/31/2003 - Ongoing per KCPL OATT
384	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 133 - ER00-1247-000	Point To Point	1/31/2007 - Ongoing per KCPL OATT

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
385	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 133 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT
386	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 136 - ER00-1247-000	Point To Point	1/31/2003 - Ongoing per KCPL OATT
387	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 136 - ER00-1247-000	Point To Point	1/31/2007 - Ongoing per KCPL OATT
388	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 136 - ER00-1247-000	Point To Point	1/31/2010 - Ongoing per KCPL OATT

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
389	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 93 - ER00-1247-000	Point To Point	12/31/2010 - Ongoing per KCPL OATT
391	Municipal Participation Agreement	Kansas City Power & Light	Board of Public Utilities - Kansas City Kansas	54 - ER94-1101-002	Point To Point	year to year, 42 mo notice
392	Electric Interchange Agreement	Kansas City Power & Light	Westar Energy	55 - ER94-1101-002	Point To Point	year to year, 36 mo notice
393	Missouri Interconnection	KCPL		111 - ER94-411		
394	MOKAN Interconnection	KCPL		110 - ER94-411		Term of GPA
395	MPS Multiple Interconnection	KCPL	GMO	58 - ER91-682		year to year, 48 mo notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
397	WC-LaCygne 345kV Line Lease	Westar	KCPL	Westar's KGE 160 - ER91-391		Concurrent with supply
398	Facilities Use Agreement	Responsibility of GMO/KCPL		107 - ER91-41-000		
399	Cooper-Fairport-St. Joseph Interconnection (MINT)	KCPL		107 - ER91-41-000		year to year, 48 mo notice

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
401	Sched PPA	Westar Energy	Midwest Energy	OASIS:272409- FERC Rate Schedule 265, Docket Nos. ER93-849, OA96- 100	Transmission Service Agreement	extends until canceled. (Trans Svc Agrmt Ex. A - extended under the provisions of Section 6 Paragraph 6.2 of MWE RS No. 184 - thru 09/30/2013 or approval of CBFR.)

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Type	Other
413	Agreement for Interchange of Power & Interconnected Operations Between UtiliCorp United Inc. d/b/a Missouri Public Service and Associated Electric Cooperative, Inc.	Both GMO(formerly UtiliCorp United Inc.) and Associated	Both GMO(formerly UtiliCorp United Inc.) and Associated	60	Long Term, Short Term and Emergency Transmission Service, various capacity and energy (power) services and Exchange Power Interconnections.	Four Years prior written notice		Transmission and Power	Note: The Exchange Power Interconnections provide for power to be supplied from party A to Party B for the other for load that resides in the other parties control area and is treated like Full Requirements load.
414	Contract for Electric Service	GMO	City of Galt	55	Full Requirements	One year advance notice to terminate and two years advance to switch power suppliers		Full Requirements	
415	Contract for Electric Service	GMO	Gilman City	56	Full Requirements	One year advance notice to terminate and two years advance to switch power suppliers		Full Requirements	

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Type
416	Contract for Electric Service	GMO	Liberal	54	Full Requirements	One year advance notice to terminate and two years advance to switch power suppliers		Full Requirements
417	Contract for Electric Service	GMO	Osceola	109	Full Requirements	One year advance notice to terminate and two years advance to switch power suppliers		Full Requirements
418	Contract for Electric Service	GMO	Rich Hill	58	Full Requirements	One year advance notice to terminate and two years advance to switch power suppliers		Full Requirements

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Type	Other
421	Control Area Service	Associated Electric Cooperative, Inc.	UtiliCorp United Inc.		Firm Network	Evaluated annually by AECI, termination allowed upon 12 months written notice to UCU; UCU may terminate with 30 day written notice to AECI.	150	Network	

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Type	Other
424	Electric Sales, Transmission and Service Contract between Centel Corporation and Kansas Electric Power Cooperative, Inc.	Centel Corporation	Kansas Electric Power Cooperative, Inc	71	Network	60 month advance written notice		Transmission	

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Type
445	Cooper-Fairport: St. Joseph Interconnection (MINT)			107-ER91- 41-000		Year to year, 48 mo notice		

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Type	Other
457	Interconnection Agreement	Sunflower Electric Power Corporation	Midwest Energy, INC		Network	3 years prior written notice			

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Type	Other
461	Interconnection Agreement	Sunflower Electric Power Corporation	Mid-Kansas			Assessed on a year-to-year basis up to May 31, 2009	100		

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Type	Other
463	Interconnection Agreement	Sunflower Electric Power Corporation	Western Area Power Administration			September 30, 2024	October 221 November 207 December 236 January 228 February 236 March 264 April 255 May 232 June 180 July 285 August 247 September 240		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	OASIS Reference
466	MINT Coordinating Agreement, Cooper - Fairport-St. Joseph Interconnection (MINT) Dated March 5, 1990 and associated agreements	MINT Participants - Responsibility of GMO/KCPL	MINT Participants	N/A	Point to Point Service Rights	Initial term 50 years, extended thereafter on year to year basis, 4 years notice to withdraw	See Transmission Capacity Rights in contract	
467	LES and Associated Electric Cooperative (AECI) Agreement dated October 31, 1996 as amended	LES & AECI	LES & AECI	N/A	Point to point firm reservations of Firm Capacity on MINT Line	Agreement automatically extends each year. One month notice.	50mw 70 mw	#1596 & #1597
468	MINT Transmission Exchange Agreement dated February 15, 1990	LES & NPPD	LES & NPPD	N/A	Exchange of a portion of LES firm capacity rights on MINT Line to NPPD for Point to Point rights on NPPD transmission System	Agreement shall remain in force as long as LES is a participant in the MINT Project (See MINT). No notice provisions	See Transmission Capacity Rights Exchange in Article II & III	

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	OASIS Reference
469	Power Supply and Wheeling Agreement dated January 1, 1999	LES	State of Nebraska	N/A	Point to Point Service- Fixed allocation requirements contract	Agreement will terminate either when State of Nebraska WAPA contract terminates or the date following one year notice whichever is first to occur	1.832 mw	
470	Power Supply and Wheeling Agreement dated January 1, 1999	LES	University of Nebraska-Lincoln	N/A	Point to Point Service-Fixed allocation requirements contract	Agreement will terminate either when UNL WAPA contract terminates or the date following one year notice whichever is first to occur.	19.534 mw	
471	Electric Interconnection and Interchange Agreement dated June 20, 1988 as amended	LES and OPPD	LES and OPPD	N/A	Interconnection and Interchange of Power and Energy Between Systems	Agreement extends to January 1 2040 and thereafter year to year with 5 years written notice		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	OASIS Reference
472	Gerald Gentlemen Station Power Sales Contract	LES	NPPD	N/A	Tranformation Capacity in the LES 345kv West Substation up to 50mw	Agreement expires when Gerald Gentleman removed from commerical operation	Up to 50 mw	
473	Interconnection Agreement dated May 1, 1977 as amended	LES and NPPD	LES and NPPD	N/A	Interconnection and Interchange of Power and Energy Between Systems pursuant to various Service Schedules to the Agreement	Agreement extends 30 years or until all Service Schedules have terminated whichever is last to occur. Thereafter continues with notice requirement of 4 years.		
474	LES OASIS Reservation	LES	LES	N/A	Point to Point Firm Drive In Service for WAPA Purchase Power Contracts to load	2021	59mw 75mw	#1286717 (WAPA Seasonal Firm) #1286716 (WAPA Peaking Firm)

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	OASIS Reference
475	LES OASIS Reservation	LES	LES	N/A	Point to Point Firm Drive in Service for Walter Scott Station to load	2036	105 mw	#575887 #623600 #71115707
476	LES OASIS Reservation	LES	LES	N/A	Point to Point Drive In Service for MBPP Laramie River Station to load	2021	190mw	#1286714 #649944
477	LES OASIS Reservation	LES	LES	N/A	Point to Point Drive In Service for Gerald Gentleman Station to load	2021	109 mw	#1286715
478	LES OASIS Reservation	LES	LES	N/A	Point to Point Drive In Service for Sheldon Station to load	2021	68mw	#1286712

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
479	Electric Interconnection and Interchange Agreement [95-L22-60]	Nebraska Public Power District	MidAmerican Energy Company (IPS)		Transmission Interconnection	1/1/2010 and annual thereafter (4 yr Notice)		
480	Transmission Operating Agmt. [06-L22-15]	Nebraska Public Power District	MidAmerican Energy Company (IPS)		Point to Point Service and Contract Rights	6/30/2009 or MEC participation in CNS or MINT Line (4 Yr Notice)	250	Oasis Reservation # 842306
482	Electric Inteconnection and Interchange Agreement [96-L22-53]	Nebraska Public Power District	Omaha Public Power District		Point to Point Service, Transmission Interconnection and Service Per Parties Rate Schedules	1/1/2005 or contingent on OPPD participation in MINT line	25 15 10	Oasis Reservation # 1294408 1294407 1282819
483	Wind Facility Share Participation Agreement [04-L22-30]	Nebraska Public Power District	Omaha Public Power District		Point to Point Service OPPD responsible for Transmission at Wind Sub delivery point	10/27/2024 Subject to renewals	8 2	Oasis Reservation # 1217482 1217220
484	Interconnection Agreement [96-L22-50], Service Schedule 4	Nebraska Public Power District	City of Lincoln, Ne (LES)		Point to Point Service, Generator Outlet & Contract Delivery (WAPA Peaking)	5/1/2007 or decommission of NPPD's Cooper Nuclear Station	97 75	Oasis Reservation # 178307 178299

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
485	Interconnection Agreement [96-L22-50] Service Schedule 9	Nebraska Public Power District	City of Lincoln, Ne (LES)		Point to Point Service Contract Delivery, (WAPA Firm)	Through term of WAPA contracts	59	Oasis Reservation # 178297
486	Interconnection Agreement [96-L22-50] Service Schedule 10	Nebraska Public Power District	City of Lincoln, Ne (LES)		Contract Rights Exchange for Service (MINT)	Through Term of MINT contract		
487	MINT Rights Exchange Agreement [99-L22-13]	Nebraska Public Power District	City of Lincoln, Ne (LES)		Contract Rights Exchange for Service	Through Term of MINT contract		
488	Interconnection Agreement [96-L22-50] Service Schedule 12	Nebraska Public Power District	City of Lincoln, Ne (LES)		Pre-OATT Point to Point service. Gentleman Station delivery	Agreement terminates with end of Gentleman Station Power Sales Agreement		
489	Gerald Gentleman Station Participation Power Sales Agreement [96-L22-44]	Nebraska Public Power District	City of Lincoln, Ne (LES)		Point to Point Service Contract Rights, BTS Capacity Rights Exchange	Life of Plant	109	Oasis Reservation # 178301
490	Bulk Transmission System Loss Factor Letter Agreement [99-L22-21]	Nebraska Public Power District	City of Lincoln, Ne (LES) / Basin Electric Power Cooperative		BTS Loss Compensation Calculation Procedure	In conjunction with Base Contracts		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
491	Amended and Restated Coordinating Agreement for the Cooper-Fairport-St. Joseph 345 kV Line (MINT) [98-L21-18]	Nebraska Public Power District	Associated Electric Cooperative, Inc./ Kansas City Power & Light/ St. Joseph Light & Power Company/ MidAmerican Energy Company/ Omaha Public Power District/ City of Lincoln, NE		Point to Point Service Interconnection Capacity and Transmission Service	3/4/2040	See capacity rights identified in the contract	Oasis Reservation # 178323 178322 178321 178317
492	Transmission Line Terminal Facilities Agreement [99-L22-12]	Nebraska Public Power District	Omaha Public Power District/ City of Lincoln, NE (LES)/ MidAmerican Energy Company		Use of Cooper MINT Terminal Facilities for deliveries at contract rate	3/4/2040		
493	Electric Interconnect & Interchange Agreement. [96-L22-110]	Nebraska Public Power District	SEC Corporation (Sunflower Electric)		Interconnection	5/1/2006 evergreen thereafter (4 Yr Notice)		
494	Western Nebraska Joint Transmission Agreement [96-L22-83]	Nebraska Public Power District	Tri-State Generation and Transmission Association, Inc.		Network-type Transmission Service	1/1/1994 with annual extensions (5 Yr Notice)	86 30 380	Oasis Reservation # 181655 1254746 1071027

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
495	Agreement for Common Use of Switching Station and Transmission Facilities - Big Springs Tap [95-L21-612]	Nebraska Public Power District	Tri-State Generation and Transmission Association, Inc.		Transmission Capacity Allocation	November 30, 2007 (In process of amending to "Evergreen Term.")		
496	Transmission Service Contract [99-L22-23]	Nebraska Public Power District	Basin Electric Power Cooperative		Point to Point Service Bulk Transmission Service - Contract Rate	12/31/2040	272 190	Oasis Reservation # 520962 178300
497	Agreement for Construction and Joint Use of Substation and Transmission Facilities [94-L21-502]	Nebraska Public Power District	Basin Electric /Rushmore Cooperative /Cherry-Todd Cooperative / LaCreek Electric Association		Network Transmission and SubT service for joint use facilities (Cody - Niobrara)	6/18/2015 or as long as facilities in use.		
498	Agreement for Joint Use of Substation and Transmission Facilities [94-L21-383]	Nebraska Public Power District	Wheat Belt Public Power District		Joint Use of 115/34.5 Substation at Blue Creek	Year to Year, one year notice		
499	Stegall DC Tie Loss Compensation Agreement [99-L22-24]	Nebraska Public Power District	Basin Electric Power Cooperative		Loss procedure of DC Tie interconnection	9/16/2011 subject to renewal		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
500	Loveland Area Projects for Firm Electric Service [96-L22-103]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Rocky Mountain Region)		NPPD Firm Electric Service from the Loveland Area Projects	9/30/2024		
501	Interconnection and Transmission Agreement 87-LAO-200 [96-L22-100]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Rocky Mountain Region)		Point to Point Service Transmission Interconnection and Service	12/31/2019	2 18 1	Oasis Reservation # 1299729 1299689 1299687
502	Electric Power Service 93-BAO-667 [96-L22-60]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region)		Point to Point Service Transmission Interconnection and Service	12/31/2020	64 492	Oasis Reservation # 1282494 1282491
503	Contract For Control Area Regulation Service [00-L22-317]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region)		Control Area Regulation Service provided by WAPA to NPPD	Annual Term, but in no case extend beyond 2021(30 day termination, anytime)		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
504	Contract For Administrative Services [99-L22-64]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / City of Beatrice, Nebraska		NPPD provides control area scheduling service for Beatrice firm service from WAPA	12/31/2020 (termination by one year notice, anytime)		
505	Contract For Bill Crediting Program Arrangements [01-L22-19]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Omaha Tribe of Nebraska / Nebraska Electric G & T Cooperative, Inc. / Burt County Public Power District		Provides Firm Electric Power Benefit to Omaha Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
506	Contract For Bill Crediting Program Arrangements [00-L22-305]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Santee Sioux Tribe of Nebraska / Nebraska Electric G & T Cooperative, Inc. / North Central Public Power District		Provides Firm Electric Power Benefit to Santee Sioux Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)		
507	Contract For Bill Crediting Program Arrangements [01-L22-20]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Oglala Sioux Tribe of Nebraska		Provides Firm Electric Power Benefit to Oglala Sioux Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
508	Contract For Bill Crediting Program Arrangements [01-L22-21]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Winnebago Tribe of Nebraska / Nebraska Electric G & T Cooperative, Inc. / Burt County Public Power District		Provides Firm Electric Power Benefit to Winnebago Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)		
509	Contract For Bill Crediting Program Arrangements [01-L22-22]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Winnebago Tribe of Nebraska		Provides Firm Electric Power Benefit to Winnebago Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
510	Contract For Bill Crediting Program Arrangements [01-L22-23]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Winnebago Tribe of Nebraska / Nebraska Electric G & T Cooperative, Inc. / Northeast Nebraska Public Power District		Provides Firm Electric Power Benefit to Winnebago Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)		
511	Transmission Service Agreement [06-L22-1]	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point Service Transmission Service	12/31/2015	25 25	Oasis Reservation # 1282761 1282760
512	Network Transmission Service Agrmt [06-L22-2]	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Network Firm Transmission Service	12/31/2015		
513	Lincoln Delivery Agreement [03-L22-9]	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Bulk Transmission Service for share of Laramie River (sale from LES)	2/28/2026		
514	Wind Facility Share Participation Agreement [04-L22-31]	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point Service MEAN responsible for Transmission at Wind Sub delivery point	10/27/2024 renewals possible	7	Oasis Reservation # 992887

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
517	Electric Interconnection and Interchange Agreement [94-L22-10]	Nebraska Public Power District	City of Grand Island, Nebraska		Point to Point Service Transmission Interconnection Service	1/1/2005, yearly thereafter (4 Yr Notice)	9	Oasis Reservation # 662099
518	230/115 Transformer Replacement Agreement [99-L22-83]	Nebraska Public Power District	City of Grand Island, Nebraska		Transmission Credit for Capital Improvement, T-2 specific	12/31/2020		
519	Joint Reporting Agreement [02-L20-119]	Nebraska Public Power District	City of Grand Island, Nebraska		Joint Load & Capability Reporting to MRO	5/31/2004, yearly thereafter (6 months notice)		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
520	Wind Facility Share Participation Agreement [04-L22-45]	Nebraska Public Power District	City of Grand Island, Nebraska		Point to Point Service G.I. responsible for Transmission at Wind Sub delivery point	11/22/2024 renewals possible	1	Oasis Reservation # 990218
521	Interconnection and Interchange Agreement [94-L22-11]	Nebraska Public Power District	City of Hastings, Nebraska		Point to Point Service Transmission Interconnection Service	3/31/2009, yearly thereafter (6 Mo. Notice)	13	Oasis Reservation # 224052
522	Mutual Emergency Energy Agreement [04-L20-195]	Nebraska Public Power District	City of Hastings, Nebraska		Reciprocal interchange of emergency energy as needed	6/14/2009 (6 mo anytime notice)		
523	Whelan Energy Center 2 Transmission Facilities Agreement [07-L22-130]	Nebraska Public Power District	Public Power Generating Agency / City of Hastings, NE		Transmission Credit for facility costs	Until all obligations fulfilled, including crediting obligations		
524	Mission - St. Francis - Valentine 115 KV Transmission Line Agreement [04-L21-14]	Nebraska Public Power District	Cherry-Todd Electric Cooperative / Nebraska Electric Generation and Transmission Cooperative, Inc.		Transmission Service	8/23/2012, and thereafter as long as line in service		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
525	Interconnection Agreement [03-L20-106]	Nebraska Public Power District	Cherry-Todd Electric Cooperative / Nebraska Electric Generation and Transmission Cooperative, Inc.		Transmission Interconnection and Service	Continues until terminated, (12 Mo. Notice).		
526	Participation and Cost Sharing Agreement (Springview Wind Facility) [04-L21-15]	Nebraska Public Power District	Auburn, NE/ Grand Island, NE/ KBR Rural Public Power District/ Lincoln, NE/ Municipal Energy Agency of NE		Transmission Service under T-2 Rate	5/7/2018 (participant termination 4 Yr. Notice)		
527	Facilities Modifications and Construction Agreement for Cooper South Flowgate Upgrades [06-L22-22]	Nebraska Public Power District	Aquila, Inc./ MidAmerican Energy Company/ Omaha Public Power District		Transmission Capacity Rights established.	Through completion of project and all final payments made		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
529	Kingsley Project Power Sales Agreement [95-L21-121 and 122]	Nebraska Public Power District	Central Nebraska Public Power and Irrigation District		NPPD purchase of Hydro output / Transmission Capacity Rights	Bonds Paid or Retirement of Plant, the later		
530	Loss Replacement Agreement [96-L22-64], (Part of Power Interference Agreement)	Nebraska Public Power District	Loup River Public Power District / Bureau of Reclamation / Western Area Power Administration		Point to Point Service Loss compensation to NPPD for delivery to Loup due to water diversion at North Loup Reclamation	On or Before Year 2020	15	Oasis Reservation # 1282493
531	Reservation 79207350 for NPPD's transmission rights under the MINT Line Agreement previously represented under reservation 809481 as Cooper Nuclear Station Unit Participation Agreement [03-L21-75]	Nebraska Public Power District	Nebraska Public Power District		Point to Point Service to AQN from CNS / Transmission Service	5/01/2040	57	Oasis Reservation # 79207350
533	Generator Interconnection Agreement [08-L22-98]	Nebraska Public Power District	Elkhorn Ridge Wind, LLC		Generator Interconnection Service on NPPD Transmission System	12 Month termination notice or contract terms		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
534	Wholesale Power Contract	Nebraska Public Power District	Sutton 94-L22-71		Full Requirements Wholesale Power contract	Through 4-10-15; year to year thereafter; 5 yrs notice.		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
535	Wholesale Power Contract	Nebraska Public Power District	Snyder 94-L22-67		Full Requirements Wholesale Power contract	Through at least 5-31-12, but no longer than 5-31-16; one year notice.		
536	Wholesale Power Contract	Nebraska Public Power District	Hemingford 94-L22-48		Full Requirements Wholesale Power contract	Through 10-31-18; year to year thereafter; 5 yrs notice.		
537	Wholesale Power Contract	Nebraska Public Power District	Neligh 00-L22-10		Full Requirements Wholesale Power contract	Through 3-31-10, no rolling term; one year notice by Customer prior to terminate prior to 3-31-10. Will offer then-current WPC after 3-31-10.		
538	Wholesale Power Contract	Nebraska Public Power District	Arapahoe 94-L22-26		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
539	Wholesale Power Contract	Nebraska Public Power District	Auburn 01-L22-11		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
540	Wholesale Power Contract	Nebraska Public Power District	Battle Creek 94-L22-27		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
541	Wholesale Power Contract	Nebraska Public Power District	Beatrice 94-L22-29		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
542	Wholesale Power Contract	Nebraska Public Power District	Bradshaw 94-L22-30		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
543	Wholesale Power Contract	Nebraska Public Power District	Brainard 94-L22-31		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
544	Wholesale Power Contract	Nebraska Public Power District	Central City 94-L22-32		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
545	Wholesale Power Contract	Nebraska Public Power District	Chester 94-L22-34		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
546	Wholesale Power Contract	Nebraska Public Power District	Cozad 94-L22-35		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
547	Wholesale Power Contract	Nebraska Public Power District	Davenport 94-L22-36		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
548	Wholesale Power Contract	Nebraska Public Power District	David City 94-L22-37		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
549	Wholesale Power Contract	Nebraska Public Power District	Deshler 01-L22-9		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
550	Wholesale Power Contract	Nebraska Public Power District	DeWitt 94-L22-38		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
551	Wholesale Power Contract	Nebraska Public Power District	Dorchester 94-L22-39		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
552	Wholesale Power Contract	Nebraska Public Power District	Edgar 94-L22-40		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
553	Wholesale Power Contract	Nebraska Public Power District	Fairmont 94-L22-41		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
554	Wholesale Power Contract	Nebraska Public Power District	Friend 94-L22-42		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
555	Wholesale Power Contract	Nebraska Public Power District	Giltner 94-L22-44		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
556	Wholesale Power Contract	Nebraska Public Power District	Gothenburg 94-L22-45		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
557	Wholesale Power Contract	Nebraska Public Power District	Hampton 94-L22-46		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
558	Wholesale Power Contract	Nebraska Public Power District	Hebron 94-L22-47		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
559	Wholesale Power Contract	Nebraska Public Power District	Hildreth 94-L22-49		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
560	Wholesale Power Contract	Nebraska Public Power District	Holdrege 94-L22-50		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
561	Wholesale Power Contract	Nebraska Public Power District	Lexington 94-L22-51		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
562	Wholesale Power Contract	Nebraska Public Power District	Lodgepole 94-L22-52		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
563	Wholesale Power Contract	Nebraska Public Power District	Lyons 94-L22-54		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
564	Wholesale Power Contract	Nebraska Public Power District	Madison 94-L22-55		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
565	Wholesale Power Contract	Nebraska Public Power District	Minden 94-L22-56		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
566	Wholesale Power Contract	Nebraska Public Power District	Nelson 94-L22-58		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
567	Wholesale Power Contract	Nebraska Public Power District	North Platte 94-L22-60		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
568	Wholesale Power Contract	Nebraska Public Power District	Ord 94-L22-61		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
569	Wholesale Power Contract	Nebraska Public Power District	Polk 94-L22-62		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
570	Wholesale Power Contract	Nebraska Public Power District	Prague 94-L22-63		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
571	Wholesale Power Contract	Nebraska Public Power District	Randolph 94-L22-64		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
572	Wholesale Power Contract	Nebraska Public Power District	Scribner 94-L22-65		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
573	Wholesale Power Contract	Nebraska Public Power District	Seward 94-L22-66		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
574	Wholesale Power Contract	Nebraska Public Power District	South Sioux City 94-L22-68		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
575	Wholesale Power Contract	Nebraska Public Power District	Summerfield, KS 94-L22-69		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
576	Wholesale Power Contract	Nebraska Public Power District	Superior 94-L22-70		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
577	Wholesale Power Contract	Nebraska Public Power District	Valentine 94-L22-72		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
578	Wholesale Power Contract	Nebraska Public Power District	Wahoo 01-L22-14		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
579	Wholesale Power Contract	Nebraska Public Power District	Wakefield 94-L22-73		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
580	Wholesale Power Contract	Nebraska Public Power District	Walthill 94-L22-74		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
581	Wholesale Power Contract	Nebraska Public Power District	Wauneta 94-L22-75		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
582	Wholesale Power Contract	Nebraska Public Power District	Wayne 94-L22-76		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
583	Wholesale Power Contract	Nebraska Public Power District	Webber, KS 94-L22-77		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
584	Wholesale Power Contract	Nebraska Public Power District	Wilcox 94-L22-78		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
585	Wholesale Power Contract	Nebraska Public Power District	Wymore 94-L22-79		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
586	Wholesale Power Contract	Nebraska Public Power District	Nebraska Electric G&T 96-L22-52		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
587	Wholesale Power Contract	Nebraska Public Power District	Norris PPD 94-L22-59		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
588	Wholesale Power Contract	Nebraska Public Power District	Southern PD 01-L22-25		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
589	Wholesale Power Contract	Nebraska Public Power District	Loup River PPD 05-L22-13		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.		
591	Oasis Transaction	Nebraska Public Power District	Omaha Public Power District		Point to Point	1/1/2023	12	Oasis Reservation # 1294460
592	Oasis Transaction	Nebraska Public Power District	Omaha Public Power District		Point to Point	1/1/2023	9	Oasis Reservation # 1294162
593	Oasis Transaction	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point	1/1/2021	23	Oasis Reservation # 1282495
594	Oasis Transaction	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point	1/1/2017	10	Oasis Reservation # 1063385
595	Oasis Transaction	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point	12/31/2014	7	Oasis Reservation # 910527
596	Oasis Transaction	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point	1/1/2015	2	Oasis Reservation # 883396

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
597	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	1/1/2021	4	Oasis Reservation # 192864
598	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	1/1/2021	3	Oasis Reservation # 191293
599	Oasis Transaction	Nebraska Public Power District	Lincoln Electric System		Point to Point	1/1/2021	68	Oasis Reservation # 178304
601	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	6/1/2029	150	Oasis Reservation # 1282622
602	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	6/1/2029	25	Oasis Reservation # 1282619
603	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	5/1/2029	30	Oasis Reservation # 784417
604	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power Marketing		Point to Point	5/1/2029	3	Oasis Reservation # 72190701
605	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	1/1/2025	4	Oasis Reservation # 345442

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
606	NPPD Professional Retail Operations Service Agreements and Service Area Agreements	Nebraska Public Power District	Nebraska Public Power District		Full Requirements Wholesale contract, Firm Network Service, Distribution Services	Various Termination Dates Ranging From 12-31-14 to 7-1-32 With Renewal Rights		NPPD has PRO-Service Agreements with 81 Nebraska Municipals

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	Termination Provisions
607	Service Agreement and OASIS Reservation	1587762	OPPD	Central MN Muni Pwr Assn		Point-to-Point	5/1/2019
608	Service Agreement and OASIS Reservation	1587761	OPPD	Central MN Muni Pwr Assn		Point-to-Point	5/1/2019
609	Service Agreement and OASIS Reservation	1589101	OPPD	Independence, MO		Point-to-Point	5/1/2034
612	Service Agreement and OASIS Reservation	1585194	OPPD	Lincoln Electric System		Point-to-Point	5/1/2036
613	Service Agreement and OASIS Reservation	1585195	OPPD	Lincoln Electric System		Point-to-Point	5/1/2036
614	Service Agreement and OASIS Reservation	1585192	OPPD	Lincoln Electric System		Point-to-Point	3/1/2036
615	Nebraska City Unit 2 Transmission Facilities Cost Agreement		OPPD	NPPD, Independence, MO, Central Minnesota Municipal Power Agency, Falls City, Grand Island, Missouri Joint Muni Electric Utility Commission, Nebraska City		Planning and facilities cost arrangement	Until payment and crediting obligations are satisfied
616	Service Agreement and OASIS Reservation	1588942	OPPD	Missouri Joint Municipal Electric Utility Commission		Point-to-Point	6/1/2029
617	Electric Interconnection and Interchange Agreement	Plattsmouth, Verden, Nehawaka	OPPD	NPPD		Interconnection & Point-to-Point	Pre-OATT. Effective until cancelled w/ 4-yr notice

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	Termination Provisions
618	Amended and Restated Coordinating Agreement (MINT) & OASIS		OPPD	Associated Electric, Kansas City Power & Light, Aquila, NPPD, OPPD, LES, MidAmerican Energy		Joint ownership & Point-to-Point	Pre-OATT. Effective through 2040. Thereafter cancellable by any party w/ 4-yr notice
619	OASIS Reservation	1585185	OPPD	NPPD		Point-to-Point	1/1/2023
620	OASIS Reservation	1585186	OPPD	NPPD		Point-to-Point	1/1/2023
621	OASIS Reservation	1585627	OPPD	NPPD		Point-to-Point	6/1/2029
622	OASIS Reservation	1585630	OPPD	NPPD		Point-to-Point	6/1/2029
623	Service Agreement and OASIS Reservation	1585621	OPPD	NPPD		Point-to-Point	5/1/2029
624	Service Agreement and OASIS Reservation	1589750	OPPD	NPPD		Point-to-Point	5/1/2029
625	OASIS Reservation	1585595	OPPD	Falls City		Point-to-Point	5/1/2036
626	OASIS Reservation	1585604	OPPD	Nebraska City		Point-to-Point	5/1/2036

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	Termination Provisions
638	OASIS Reservation	1585214	OPPD	OPPD		Point-to-Point	4/1/2015
639	OASIS Reservation	1585219	OPPD	OPPD		Point-to-Point	4/1/2015
640	OASIS Reservation	73224364	OPPD	OPPD		Point-to-Point	4/1/2040
641	OASIS Reservation	1584795	OPPD	OPPD		Point-to-Point	9/9/2020
642	OASIS Reservation	1584797	OPPD	OPPD		Point-to-Point	9/9/2020
643	OASIS Reservation	1585174	OPPD	OPPD		Point-to-Point	1/1/2021
644	OASIS Reservation	1585182	OPPD	OPPD		Point-to-Point	9/1/2025
645	OASIS Reservation	1585607	OPPD	OPPD		Point-to-Point	9/1/2029
646	OASIS Reservation	1585605	OPPD	OPPD		Point-to-Point	9/1/2029
647	OASIS Reservation	1585606	OPPD	OPPD		Point-to-Point	9/1/2029

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	OASIS Reference
650	LES OASIS Reservation	LES	LES	N/A	Point to Point Firm Service	1/1/2030	50MW	72914267
652	LES OASIS Reservation Bloomfield Wind Turbines Purchase (LES_ELKHORN_WT)	LES	LES	N/A	Point to Point Firm Service	1/1/2029	6 MW	72403386

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	OASIS Reference
654	LES OASIS Reservation	LES	LES	N/A	Point to Point Firm Service	1/1/2035	24 MW	72977186
655	LES OASIS Reservation	LES	LES	N/A	Point to Point Firm Service	1/1/2035	20MW	72977175
656	Bulk Transmission System Loss Factor Agreement (NPPD and LES)	LES	LES	N/A	Return of BTS Losses from LES to NPPD according to BTS Loss Compensation Calculation Procedure	Term and Amount varies with LES & NPPD Transmission and Power Supply Contracts termination dates	15 MW	1589036

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
657	Transmission Service Agreement Between Nebraska Public Power District and City of Deshler, Nebraska	Nebraska Public Power District	City of Deshler		Network Service	Co-Term with City's WAPA Allocation Contract		
658	Transmission Service Agreement Between Nebraska Public Power District and City of Emerson , Nebraska	Nebraska Public Power District	City of Emerson		Network Service	Co-Term with City's WAPA Allocation Contract		
659	Transmission Service Agreement Between Nebraska Public Power District and City of Laurel, Nebraska	Nebraska Public Power District	City of Laurel		Network Service	Co-Term with City's WAPA Allocation Contract		
660	Transmission Service Agreement Between Nebraska Public Power District and City of Madison, Nebraska	Nebraska Public Power District	City of Madison		Network Service	Co-Term with City's WAPA Allocation Contract		
661	Transmission Service Agreement Between Nebraska Public Power District and City of Mullen, Nebraska	Nebraska Public Power District	City of Mullen		Network Service	Co-Term with City's WAPA Allocation Contract		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
662	Transmission Service Agreement Between Nebraska Public Power District and City of Neligh, Nebraska	Nebraska Public Power District	City of Neligh		Network Service	Co-Term with City's WAPA Allocation Contract		
663	Transmission Service Agreement Between Nebraska Public Power District and City of Randolph, Nebraska	Nebraska Public Power District	City of Randolph		Network Service	Co-Term with City's WAPA Allocation Contract		
664	Transmission Service Agreement Between Nebraska Public Power District and City of Schuyler, Nebraska	Nebraska Public Power District	City of Schuyler		Network Service	Co-Term with City's WAPA Allocation Contract		
665	Transmission Service Agreement Between Nebraska Public Power District and City of South Sioux City, Nebraska	Nebraska Public Power District	City of South Sioux City		Network Service	Co-Term with City's WAPA Allocation Contract		
666	Transmission Service Agreement Between Nebraska Public Power District and City of Wahoo, Nebraska	Nebraska Public Power District	City of Wahoo		Network Service	Co-Term with City's WAPA Allocation Contract		

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
667	Transmission Service Agreement Between Nebraska Public Power District and City of Wakefield, Nebraska	Nebraska Public Power District	City of Wakefield		Network Service	Co-Term with City's WAPA Allocation Contract		
668	Transmission Service Agreement Between Nebraska Public Power District and City of Wilber, Nebraska	Nebraska Public Power District	City of Wilber		Network Service	Co-Term with City's WAPA Allocation Contract		
669	Generator Interconnection Agreement Between Community Wind Energy Transmission, LLC and Nebraska Public Power District	Nebraska Public Power District	Community Wind Energy Transmission, LLC		Generator Interconnection	Until Terminated		
670	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		80	Oasis Reservation # 1298924
671	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point		15	Oasis Reservation # 1299178

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
672	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		35	Oasis Reservation # 1299182
673	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		10	Oasis Reservation # 1299186
674	HCPD Participation in WEC2 (NPPD.HCPD.WEC2 to WAUE.HCPD.NTWK)	Nebraska Public Power District	HCPD		80 MW NPPD Monthly Firm PTP	Through 12/31/2031 with rollover provisions thereafter	80	Oasis Reservation # 1587829
675	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point		81	Oasis Reservation # 71792232
676	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point		42	Oasis Reservation # 71792980

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
677	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point		71	Oasis Reservation # 72062051
678	Oasis Transaction	Nebraska Public Power District	Lincoln Electric System		Point to Point		6	Oasis Reservation # 72403321
679	Oasis Transaction	Nebraska Public Power District	Omaha Public Power District		Point to Point		25	Oasis Reservation # 72426676
680	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		4	Oasis Reservation # 72426730
681	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		8	Oasis Reservation # 72426734

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
682	Oasis Transaction	Nebraska Public Power District	GrandIsland		Point to Point		1	Oasis Reservation # 72441570
683	Oasis Transaction	Omaha Public Power District	Nebraska Public Power District		Point to Point		175	Oasis Reservation # 72589960
685	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		50	Oasis Reservation # 72672357

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
688	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point		80	Oasis Reservation # 72797870
690	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point		65	Oasis Reservation # 72830114

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
693	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point		106	Oasis Reservation # 72970088
694	Oasis Transaction	Nebraska Public Power District	Lincoln Electric System		Point to Point		47	Oasis Reservation 72979719
695	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		20	Oasis Reservation SPP# 1589027
696	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		20	Oasis Reservation SPP# 1589028

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)	Other
697	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		55	Oasis Reservation SPP# 1589029
698	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		95	Oasis Reservation SPP# 1589031
699	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		16	Oasis Reservation SPP# 1589034
700	Oasis Transaction	Nebraska Public Power District	Lincoln Electric System		Point to Point		15	Oasis Reservation SPP# 1589037
701	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point		10	Oasis Reservation SPP# 1589038

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	Termination Provisions
704	OASIS Reservation	1585179	OPPD	OPPD		Yearly Network	1/1/2037
705	OASIS Reservation	1585180	OPPD	OPPD		Yearly Network	1/1/2037
706	OASIS Reservation	1585225	OPPD	OPPD		Monthly Point-to-Point	1/1/2040
707	OASIS Reservation	1585243	OPPD	OPPD		Monthly Point-to-Point	1/1/2040
708	OASIS Reservation	1585244	OPPD	OPPD		Yearly Network	1/1/2037
709	OASIS Reservation	1585245	OPPD	OPPD		Yearly Network	1/1/2037

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	Termination Provisions
712	OASIS Reservation	1585567	OPPD	OPPD/Nebraska City Utilities		Yearly Point-to-Point	5/1/2014
713	OASIS Reservation	1585574	OPPD	OPPD		Monthly Point-to-Point	1/1/2040
714	OASIS Reservation	1585576	OPPD	OPPD		Monthly Point-to-Point	1/1/2029
715	OASIS Reservation	1585579	OPPD	OPPD		Monthly Point-to-Point	1/1/2030
716	OASIS Reservation	1585588	OPPD	OPPD		Yearly Network	1/1/2037
718	OASIS Reservation	1588958	OPPD	OPPD		Monthly Point-to-Point	1/1/2040
719	OASIS Reservation	1588959	OPPD	OPPD		Monthly Point-to-Point	1/1/2040

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	Termination Provisions
722	OASIS Reservation	1589060	OPPD	OPPD		Monthly Point-to-Point	1/1/2040
725	Service Agreement and OASIS Reservation	1589102	OPPD	Independence, MO		Monthly Point-to-Point	1/1/2040
727	Service Agreement and OASIS Reservation	1589110	OPPD	Municipal Energy Agency of Nebraska		Monthly Point-to-Point	1/1/2031
728	OASIS Reservation	1594743	OPPD	OPPD		Monthly Point-to-Point	4/1/2040
729	OASIS Reservation	1594744	OPPD	OPPD		Monthly Point-to-Point	4/1/2040
730	OASIS Reservation	1594748	OPPD	OPPD		Monthly Point-to-Point	9/1/2040
732	OASIS Reservation	73224372	OPPD	OPPD/Falls City		Yearly Point-to-Point	5/1/2036

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	Termination Provisions
733	Joint Operating Agreement	1256070	SPS/PSCo	PSCo/SPS	FERC Orders in Docket Nos. EC96-2, ER96-2572-000, EC99-101-000, ER04-1174-000 et al., and ER-08-313-000, et al.	Transmission Service implementing the Xcel Energy Operating Companies' Joint Operating Agreement	None
734	Network Integration Transmission Service Agreement	1089911	SPS	Municipal Energy Agency of Nebraska	FERC orders in Docket Nos. ER04-1174-000 et al. and ER08-313-000, et al.	Network Integration Transmission Service	Through June 1, 2020 with rollover provisions thereafter

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)
735	Generator Interconnection Agreement (GIA) Entered Into By Lea County Electric Cooperative, Inc. and LCEC Generation, LLC	Lea County Electric Cooperative, Inc.	LCEC Generation, LLC		Generator Interconnection	Until Terminated	
736	Generator Interconnection Agreement (GIA) Entered Into By Lea County Electric Cooperative, Inc. and Wild Cat Wind LLC	Lea County Electric Cooperative, Inc.	LCEC Generation, LLC		Generator Interconnection	Until Terminated	

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination Provisions
737	City of Coffeyville	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Through 1/1/2035 with rollover provisions thereafter
738	WFEC/BANK	Western Farmers Electric Company	Western Farmers Electric Company		Point To Point	Through 1/1/2035 with rollover provisions thereafter
739	WFEC/BANK	Western Farmers Electric Company	Western Farmers Electric Company		Point To Point	Through 1/1/2035 with rollover provisions thereafter
740	Interchange Agreement (AmerenUE)	Kansas City Power & Light	AMRN	104, Supp. No. 5 to Sched. G	Point To Point	Year to year, 30 mo. Notice
<u>741</u>	<u>Electric Service Contract with Montana-Dakota Utilities Co. (MDU)</u>	<u>WAPA</u>	<u>MDU</u>		<u>Transmission Service</u>	<u>December 31, 2015</u>
<u>742</u>	<u>Contract for Electric Service to Minnkota Electric Power Cooperative (Minnkota)</u>	<u>WAPA</u>	<u>Minnkota</u>		<u>Transmission Service</u>	<u>December 31, 2020</u>
<u>743</u>	<u>Interconnection and Common Use Agreement</u>	<u>Basin Electric Power Cooperative</u>	<u>Montana-Dakota Utilities, Inc.</u>		<u>Interconnection and Transmission Cost Sharing</u>	<u>Until Terminated</u>

1.1 Definitions F

Federal Service Exemption (“FSE”)

As defined in Section 1 of the Tariff.

Firm Point-To-Point Auction Revenue Right Nomination Cap

The maximum total amount of Firm Point-To-Point Candidate Auction Revenue Rights that an Eligible Entity may nominate in each month and season in the annual Auction Revenue Right allocation process and the monthly Auction Revenue Right allocation process.

Firm Point-To-Point Candidate Auction Revenue Right

All or portion of the Megawatt quantity of a confirmed Firm Point-To-Point Transmission Service reservation which the holder of the Transmission Service reservation can nominate for conversion into an Auction Revenue Right in the Auction Revenue Right allocation process.

Firm Point-To-Point Candidate Long-Term Congestion Right

The Megawatt quantity of a confirmed Firm Point-To-Point Transmission Service reservation with rollover rights that is used by the Transmission Provider to determine available rights which the holder of the Transmission Service reservation can select for conversion into a Long-Term Congestion Right in the Long-Term Congestion Right allocation process.

Firm Point-To-Point Transmission Service

As defined in Section 1 of the Tariff.

Floor-room

The reduction in committed capacity required below the average load for the hour due to the uncertainty of the real-time instantaneous load, hourly load forecast and Variable Energy Resource output.

FSE Schedule

A schedule entered by Western-UGP for administering the FSE.

FSE Transfer Point

A Settlement Location established by the Transmission Provider that represents the FSE energy ownership transfer from Western-UGP to a Market Participant external to the UMZ and internal to the SPP market. This interface is between the UMZ and the other Zones.

2.2 Application and Asset Registration

- (1) Applications for a Market Participant to provide services in the Integrated Marketplace must be submitted to the Transmission Provider prior to the expected date of participation consistent with Section 6.4 of the Market Protocols. Applications must conform to the procedures specified in the Market Protocols and may be rejected if not complete. New Market Participants will follow the timeframe as specified in Section 6.4 of the Market Protocols in addition to the detailed model update timing requirements in Appendix E of the Market Protocols.
- (2) As part of the application process, Market Participants must register all Resources and load, including applicable load associated with Grandfathered Agreements (“GFAs”), Non-Conforming Load and Demand Response Load with the Transmission Provider in accordance with the registration process specified in the Market Protocols. As part of Resource registration, Market Participants must specify whether settlement meter data will be submitted on a gross basis or net basis, where gross meter data does not include reductions for auxiliary load and net meter data is gross meter data reduced by auxiliary load. Both Non-Conforming Load and Demand Response Load may only be associated with a single Price Node except that Non-Conforming Load and Demand Response Load may be associated with an aggregated Price Node that contains multiple electrically equivalent Price Nodes. Non-participating embedded load and/or generation must either: (i) register its load and/or generation in the Integrated Marketplace; or (ii) transfer its load and/or generation to an external Balancing Authority.
- (3) Market Participants may elect to define a single Settlement Location that aggregates multiple Meter Data Submittal Locations associated with their load assets. Market Participants may not aggregate multiple Resource Meter Data Submittal Locations into a single Resource Settlement Location unless the Resources are at the same physical and electrically equivalent injection point to the Transmission System.

- (4) In addition to the responsibilities described in Section 4.1.2 of this Attachment AE and under the Market Protocols, Market Participants wishing to model each participant's share of a Jointly Owned Unit as a separate Resource must choose one of the two options described below and provide the specified additional information. A Resource registered as a combined cycle Resource may not register as a Jointly Owned Unit.

(a) Individual Resource Option

Under the individual Resource option, each participant's share is modeled as a separate Resource for the purposes of commitment and dispatch and each Resource may be committed independent of the other Resource shares. In order to qualify for this option, each Market Participant must register its share and certify that it is greater than or equal to the minimum physical capacity operating limit of the physical Jointly Owned Unit.

The operating owner's Meter Agent will be the Meter Agent for that Jointly Owned Unit unless each individual Jointly Owned Unit participant registers a Meter Agent for its share of the Resource.

Unless otherwise agreed to by the Jointly Owned Unit participants, the operating owner will be responsible for submitting the following data:

- Jointly Owned Unit maximum physical capacity operating limit;
- Jointly Owned Unit minimum physical capacity operating limit; and
- Maximum physical ten (10) minute response from an off-line state.

(b) Combined Resource Option

Under the combined Resource option each participant's share is modeled and must be registered as a separate Resource. Under this option, the commitment decision is made assuming that all Resource shares must be committed or none at all. Once committed, each share is dispatched independently. This option must be selected if the eligibility criteria stated under the individual Resource option cannot be met.

The operating owner's Meter Agent will be the Meter Agent for that Jointly Owned Unit unless each individual Jointly Owned Unit participant registers a Meter Agent for its share of the Resource.

Unless otherwise agreed to by the Jointly Owned Unit participants, the operating owner will be responsible for submitting the following data:

- Jointly Owned Unit maximum physical capacity operating limit;
 - Jointly Owned Unit minimum physical capacity operating limit;
 - Maximum physical ten (10) minute response from an off-line state; and
 - Participant share percentage by Market Participant.
- (5) Market Participants may modify their registered assets in accordance with the asset registration procedures specified in the Market Protocols.
- (6) All loads and all Resources, excluding Behind-The-Meter Generation less than 10 Megawatts ("MWs"), must register. Failure or refusal to register a Resource will result in the Transmission Provider filing an unexecuted version of the service agreement as specified in Attachment AH of this Tariff for that Resource with the Commission under the name of the generation interconnection customer under an interconnection agreement with the Transmission Provider or the applicable Transmission Owner. In the case of a Qualifying Facility exercising its rights under PURPA to deliver all of its net output to its host utility, such registration will not require the Qualifying Facility to participate in the Energy and Operating Reserve Markets or subject the Qualifying Facility to any charges or payments related to the Energy and Operating Reserve Markets. Any Energy and Operating Reserve Market charges or payments associated with the output of the Qualifying Facility will be allocated to the Market Participant representing the host utility purchasing the output of the Qualifying Facility under PURPA, and the Market Participant will be provided the settlement data required to verify the settlement charges and payments.

- (7) A Market Participant wishing to Offer an External Resource in the Energy and Operating Reserve Markets will utilize an External Resource Pseudo-Tie in accordance with Attachment AO. In addition to the responsibilities outlined in Attachment AO, the Market Participant registering the External Resource will be responsible for registering and performing all responsibilities that are required of Resources in the Energy and Operating Reserve Markets.
- (8) A Market Participant wishing to offer Demand Response Load as a Demand Response Resource in the Energy and Operating Reserve Markets must include in its application and registration a certification that participation in the Energy and Operating Reserve Markets by its Demand Response Resource is not precluded under the laws or regulations of the relevant electric retail regulatory authority. Consistent with Section 2.8.1 of this Attachment, an aggregator of retail customers wishing to offer Demand Response Load in the form of a Demand Response Resource on behalf of one or more retail customers must also include in its application and registration a certification that participation of each retail customer is either: (1) not precluded by the laws or regulations of the relevant electric retail regulatory authority if the customer is served by a utility that distributed more than 4 million MWh in the previous fiscal year; or (2) affirmatively permitted by the laws or regulations of the relevant electric retail regulatory authority if the customer is served by a utility that distributed 4 million MWh or less in the previous fiscal year. Demand Response Resources must meet all application, registration and technical requirements applicable to the Energy and Operating Reserve Markets. The Transmission Provider is not responsible for interpreting the laws or regulations of a relevant electric retail regulatory authority and shall be required only to verify that the Market Participant has included such a certification in its application materials. The Transmission Provider is not liable or responsible for Market Participants participating in the Energy and Operating Reserve Markets in violation of any law or regulation of a relevant electric retail regulatory authority including state-approved retail tariff(s).
- (9) An aggregator of retail or wholesale customers offering Demand Response Load of one or more end-use retail customers or wholesale customers as a Demand

Response Resource in the Energy and Operating Reserve Markets must be a Market Participant, satisfying all registration and certification requirements applicable to Market Participants as well as certification consistent with Section 2.8 of this Attachment, as required.

- (10) A wind-powered Variable Energy Resource with (1) an interconnection agreement executed after May 21, 2011 or (2) an interconnection agreement executed on or prior to May 21, 2011 and that commenced Commercial Operation on or after October 15, 2012 must register as a Dispatchable Variable Energy Resource. A wind-powered Variable Energy Resource with an interconnection agreement executed on or prior to May 21, 2011 may register as a Dispatchable Variable Energy Resource if it is capable of being incrementally dispatched by the Transmission Provider. Variable Energy Resources with fuel sources other than wind may optionally register as a Dispatchable Variable Energy Resource. Otherwise, Variable Energy Resources must register as Non-Dispatchable Variable Energy Resources. A Qualifying Facility exercising its rights under PURPA to deliver its net output to its host utility may register as a Non-Dispatchable Variable Energy Resource or a Dispatchable Variable Energy Resource as described in the Market Protocols. Any Resource that has previously registered as a Dispatchable Variable Energy Resource shall not subsequently register as a Non-Dispatchable Variable Energy Resource.
- (11) A Market Participant that is selling firm power to the load asset under a bilateral contract may, with the agreement of the buyer, register all or a portion of the buyer's load as its load asset. For purposes of this Section 2.2(11) of this Attachment AE, the sale of firm power shall refer to power sales deliverable with firm transmission service, with the supplier assuming the obligation to serve the buyer's load with both capacity and energy. For the purposes of Section 2.11.1 of this Attachment AE, such registration of the buyer's load by the seller shall be accounted for by including such load in the seller's Reported Load and not including such load in the buyer's Reported Load, as described under Section 2.11.1(A)(1) of this Attachment AE, and such associated bilateral contracts shall

not be included in either the buyer's or seller's net resource capacity described under Section 2.11.1(A)(4) of this Attachment AE.

- (12) A Transmission Owner providing firm transmission service under a GFA eligible for GFA Carve Out must request removal of congestion and marginal loss charges and designate the GFA Responsible Entity within the timeframe set forth in Section 2.2 (1) of Attachment AE.
- (13) A GFA Responsible Entity shall provide to the Transmission Provider the information necessary to administer the GFA Carve Out. The required information shall include the following:
 - (a) Resource Settlement Location;
 - (b) Load Settlement Location;
 - (c) The maximum MW capacity contracted under the GFA Carve Out;
 - (d) The identification of the GFA in Attachment W; and
 - (e) Any other information reasonably required by the Transmission Provider.
- (14) Market Participants with assets interconnected to the Transmission System that are not participating in the Energy and Operating Reserve Markets must pseudo-tie the Resource or load out of the SPP Balancing Authority Area in accordance with Attachment AO. Such assets shall continue to be registered in the Integrated Marketplace for the purposes of accounting for congestion and loss charges between the Resource Price Node and the applicable External Interface Settlement Location as described under Sections 8.6.19 and 8.6.20 of this Attachment AE.
 - (a) To the extent that the SPP Balancing Authority or associated external Balancing Authority can no longer maintain the Resource pseudo-tie for reliability reasons, the Market Participant representing the pseudo-tied Resource must immediately reduce the output of the pseudo-tied resource to the available pseudo-tie capability after receiving notification from the affected Balancing Authority of the reduced capability. A Market Participant shall not generate any energy in excess of the available pseudo-tie capability after receiving such notification and shall not be

compensated in the Energy and Operating Reserve Markets settlement for any energy generated in excess of the available pseudo-tie capability.

- (15) Western-UGP shall provide to the Transmission Provider the information necessary to administer the FSE. The required information shall include the following:

 - (a) Resource Settlement Locations;
 - (b) Load Settlement Locations;
 - (c) The maximum MW capacity contracted under the FSE;
 - (d) The identification of the FSE Statutory Load Obligations as described in the SPP-Western-UGP NITSA; and
 - (e) Any other information reasonably required by the Transmission Provider.
- (16) The Transmission Provider shall establish FSE Transfer Points consistent with the FSE transmission service power flow impacts.

7.0 Transmission Congestion Rights Markets

The TCR Markets process includes an *annual LTCR allocation*, an annual ARR allocation, annual and monthly TCR auctions and a monthly ARR allocation in accordance with the timelines specified in the Market Protocols. The TCR Markets process is subject to review by the Market Monitor consistent with Attachment AG of this Tariff. *LTCRs are obtained by Eligible Entities during the annual LTCR allocation.* ARRs are obtained by Eligible Entities during the annual ARR allocation or the monthly ARR allocation. TCRs are obtained by Market Participants through *the annual LTCR allocation and the annual and monthly TCR auctions.*

There are *eight* (8) key processes associated with *LTCRs*, ARRs and TCRs:

- (1) Annual *LTCR*/ARR verification;
- (2) Annual *LTCR* allocation;
- (3) *Annual ARR allocation*;
- (4) Annual TCR auction;
- (5) Monthly ARR allocation;
- (6) Monthly TCR auction;
- (7) ARR allocation and TCR auction settlements; and
- (8) TCR secondary markets.

Table 7-1 in Section 7.4.2 of this Attachment AE provides additional details related to auction timing and Transmission System capability available for the TCR auctions.

(b) Except as otherwise provided in this Section 7.0.b (ii), an entity taking firm transmission service under a GFA Carve Out will not be eligible to participate in the TCR Markets for the MW capacity associated with the GFA Carve Out.

- (i) The MW capacity associated with each GFA Carve Out shall be included in the Transmission Provider's ARR allocation and TCR auction processes in a manner that reflects the transmission service pursuant to the GFA Carve Out, provided, however, that (A) candidate ARRs associated with the GFA Carve Out service

shall not be nominated for a product period if, based upon the twelve preceding months for which congestion data is available, such ARR, had it been converted to a TCR, would have resulted in a net charge to the holder of the TCR over that product period, and (B) until twelve months of Integrated Marketplace data are available, the Transmission Provider shall use relevant data from both the EIS Market and the Integrated Marketplace to estimate whether the result would have been a net charge to the TCR holder.

- (ii) On an annual basis, the GFA Responsible Entity may elect, in writing, to cancel the GFA Carve Out treatment and will be eligible to participate in the TCR Markets pursuant to Section 7.0 of Attachment AE. The conversion of GFA Carve Out to the TCR Market is irrevocable.

(c) Firm transmission capacity associated with a FSE shall not be eligible to participate in the TCR Markets.

- (i) The MW capacity associated with each FSE shall be included in the Transmission Provider's ARR allocation and TCR auction processes in a manner that reflects the transmission service pursuant to the FSE, provided, however, that Candidate ARRs associated with the FSE service shall not be nominated for a product period if, based upon the twelve preceding months for which congestion data is available, such ARR, had it been converted to a TCR, would have resulted in a net charge to the holder of the TCR over that product period.
- (ii) For the MW capacity associated with each FSE, the sink for the ARR/TCR shall be the (1) load Settlement Location within the UMZ, (2) interface with an external Balancing Authority, or (3) FSE Transfer Point, as appropriate. For ARR/TCR activity from FSE Transfer Points to load external to the UMZ but internal to the Transmission Provider, the normal ARR/TCR process is available to the applicable Market Participants from the FSE Transfer Point to the load consistent with the transmission service reservation.

8.2 Bilateral Settlement Schedules, ~~and GFA Carve Outs~~ and FSE

Market Participants may create Bilateral Settlement Schedules for Energy and Operating Reserve obligations by registering and confirming the parameters of the agreement between buyer and seller as described in the Market Protocols. Both the buyer and seller must confirm the Bilateral Settlement Schedule except when the Bilateral Settlement Schedule is associated with an existing bilateral agreement under Section 8.2.1 of this Attachment AE. Either the buyer or seller may terminate the Bilateral Settlement Schedule at any time except when the Bilateral Settlement Schedule is associated with an existing bilateral agreement under Section 8.2.1 of this Attachment AE.

Market Participants may submit Bilateral Settlement Schedule quantities for Energy and Operating Reserve obligation for use in the Day-Ahead Market and may submit Bilateral Settlement Schedule quantities for Energy for use in the Real-Time Balancing Market up to four (4) days following the applicable Operating Day for the initial settlement. New submittals and revisions to previously submitted values may be submitted up to forty-four (44) days following the applicable Operating Day to be included in the final settlement. Submittals not confirmed by both parties will not be included in any settlement execution.

Transactions related to Bilateral Settlement Schedules for Energy must specify the Settlement Location, the MW amount, the buyer, the seller and which market it applies to (Day-Ahead Market or RTBM), and must be for the physical transfer of Energy, with title of the energy transferring from the seller to the buyer at the Settlement Location specified for the transaction. Market Participants that submit Bilateral Settlement Schedules for Energy shall use reasonable efforts to limit the megawatt hours of such transactions to amounts reflecting the expected load and other physical delivery obligations of the buyer under the bilateral contract. The seller receives an increase in load obligation equal to the specified MW amount and the buyer receives a reduction in load obligation equal to the specified MW amount (the equivalent of a Resource settlement) at the specified Settlement Location.

Transactions related to Bilateral Settlement Schedules for Operating Reserve obligation must specify the buyer, the seller, the Operating Reserve product, the MW

obligation transfer and the Reserve Zone within which the obligation transfer applies and must be for the physical transfer of energy associated with the Operating Reserve product, with title of the Operating Reserve product transferring from the seller to the buyer at the Reserve Zone specified for the transaction. The seller receives an increase in Operating Reserve obligation equal to the specified MW and the buyer receives a corresponding decrease in Operating Reserve obligation within the specified Reserve Zone.

8.2.3 FSE

Western-UGP shall not be charged for the cost of congestion and marginal losses for actual energy (MWh) transacted from Federal Power-Western-UGP resources across the UMZ to Western-UGP's Statutory Load Obligations as stated in Section 39.3(e)(ii) of this Tariff.

- (a) FSE treatment is only available to the extent that the Resources are offered into the Day-Ahead Market using a commitment status as described in Section 4.1(10) (a) or (b) of this Attachment AE. To the extent a Federal Power-Western-UGP resource is external to the Energy and Operating Reserve Markets, an Import Interchange Transaction must be submitted in the Day-Ahead Market with sufficient capacity to cover the FSE Schedule.
- (b) The Transmission Provider will remove charges for cost of congestion and cost of marginal losses from the Settlement Statement as provided in Section 10.1(5) of Attachment AE, only if Western-UGP submits a FSE Schedule and E-Tag (if applicable) according to the procedures specified in Section 8.2.3.1 of Attachment AE for the Day-Ahead Market for the FSE transaction, consistent with the FSE Settlement Locations, and within the maximum MW capacity permissible under the FSE. Western-UGP must update the FSE Schedule after the close of the Day-Ahead Market with the actual energy transacted that corresponds to the FSE.
- (c) The Transmission Provider shall account for the FSE in the TCR Markets, but shall not allocate ARRs or assign TCRs to Western-UGP for a FSE.
- (d) Western-UGP is responsible for coordinating the FSE Schedule data and ensuring the consistency of the FSE Schedules. The Market Monitor will monitor FSE Schedules in accordance with Section 4.6 of Attachment AG of this Tariff.
- (e) The FSE Schedule associated with a Federal Power-Western-UGP resource will include provision of physical losses in accordance with Attachment M of this Tariff. The FSE Schedule associated with Statutory Load Obligations will not include the physical losses.

8.2.3.1 FSE Schedules

Western-UGP shall create FSE Schedules for all energy transacted under the FSE, as described in the Market Protocols. Western-UGP shall submit: (i) FSE Schedules for the Resource Settlement Location within the Energy and Operating Reserve Markets; (ii) FSE Schedules for the Load Settlement Location or FSE Transfer Point within the Energy and Operating Reserve Markets; and (iii) an E-Tag for FSE transactions with Resource Settlement Location or Load Settlement Location external to the Energy and Operating Reserve Markets.

8.5.16 Day-Ahead Over-Collected Losses Distribution Amount

The MLC of the Day-Ahead Market LMP creates an over collection of funds related to payment for losses (“Day-Ahead Market Over-Collected Losses”) that must be refunded to Asset Owners, as described in this Section 8.5.16. Day-Ahead Market Over-Collected Losses refunds associated with a GFA Carve Out and FSE are calculated pursuant to this Section 8.5.16 and included as a credit to the GFA Carve Out costs and FSE costs under Section 8.5.18 of this Attachment AE~~5~~, and Day-Ahead Market Over-Collected Losses refunds associated with a GFA Carve Out shall not be credited to a GFA Carve Out Responsible Entity to the extent of load it serves under GFA Carve Out Schedule(s). Day-Ahead Market Over-Collected Losses refunds associated with a FSE shall not be credited to Western-UGP for the amount of load served under an FSE Schedule(s).

- (1) A payment for the portion of such Day-Ahead Market over-collected losses allocable to each Asset Owner (“Day-Ahead Over-Collected Losses Distribution Amount”) shall be calculated for each hour at each Settlement Location for which an Asset Owner has a Day-Ahead Market Energy withdrawal within a Loss Pool, provided that such withdrawal does not include Energy associated with cleared Virtual Energy Bids, and such Loss Pool contributed positively to the over-collection according to the following calculations:
 - (a) Each Loss Pool’s contribution to the Day-Ahead Market over-collected losses is calculated based on transactional activity in that Loss Pool where such transactional activity shall include: cleared Resource Offers, cleared Demand Bids, cleared Import Interchange Transaction Offers, cleared Export Interchange Transaction Bids, cleared Virtual Energy Bids and cleared Virtual Energy Offers.
 - (b) A “Day-Ahead Market Loss Pool loss rebate factor” is calculated hourly for each Loss Pool. The Day-Ahead Market Loss Pool loss rebate factor is equal to the sum of the positive loss rebate factors calculated in the Day-Ahead Market at each withdrawal Settlement Location in the Loss Pool

(the “Day-Ahead Market Withdrawal Settlement Location loss rebate factor”). Day-Ahead Market Withdrawal Settlement Location loss rebate factors are calculated hourly as the difference between the Day-Ahead MLC at a withdrawal Settlement Location in the Loss Pool and the injection weighted average Day-Ahead MLC for the Loss Pool, multiplied by the withdrawal quantity at that withdrawal Settlement Location.

- (i) For any Settlement Location that is contained within more than one Settlement Area Loss Pool, any injections or withdrawals associated with such Settlement Location shall be allocated pro rata to the applicable Settlement Area Loss Pools based upon actual submitted real-time meter values for the Meter Data Submittal Locations contained within each applicable Settlement Area Loss Pool.
- (ii) The total withdrawal quantity at a Settlement Location is calculated as the positive value of the sum of all cleared Resource Offers, cleared Demand Bids, cleared Import Interchange Transaction Offers, cleared Export Interchange Transaction Bids, cleared Virtual Energy Bids and cleared Virtual Energy Offers at that Settlement Location.
- (c) The injection weighted average Day-Ahead MLC for a Loss Pool is calculated assuming that injection in a Loss Pool first serves withdrawals in the Loss Pool and then goes to meet the withdrawal in Loss Pools that do not have sufficient injections to meet all withdrawals.
- (d) A Day-Ahead Loss Pool Unitized Loss Rebate Factor is calculated for each Loss Pool and is equal to that Loss Pool’s Day-Ahead Market Loss Pool loss rebate factor, as calculated in (1)(b) above, divided by the sum of all Day-Ahead Market Loss Pool loss rebate factors.

- (2) The Day-Ahead over-collected losses distribution amount shall be calculated hourly for each Asset Owner for each Loss Pool and withdrawal Settlement Location within each Loss Pool as follows:

Asset Owner Settlement Location Day-Ahead Over-Collected Losses
Distribution Amount =

$$[(\text{Day-Ahead Loss Pool Unitized Loss Rebate Factor}) * (\text{Day-Ahead Over-Collected Losses Amount}) * (\text{Asset Owner Settlement Location Withdrawal in Loss Pool} / \text{Total Asset Owner Settlement Location Withdrawals in Loss Pool}) * (-1)]$$

- (a) The Day-Ahead Over-Collected Losses Amount in an hour is equal to the sum for all Settlement Locations of an amount equal to $[(\text{Day-Ahead LMP} - \text{Day-Ahead MCC}) * \text{Total cleared Energy MW at each Settlement Location}]$.
- (b) The Asset Owner Settlement Location Withdrawal in Loss Pool is equal to the positive value of sum of the Asset Owner's cleared Demand Bids, cleared Resource Offers, cleared Interchange Transactions, Day-Ahead Market Bilateral Settlement Schedules, ~~and~~ GFA Carve Out Schedules, and FSE Schedules at that Settlement Location in that Loss Pool.
- (c) Day-Ahead Loss Pool Unitized Loss Rebate Factor is the factor calculated as described in subsection (1)(d) above.

8.5.18 Day-Ahead GFA Carve Out and FSE Daily Amount

A Day-Ahead Market credit or charge for exclusion of transactions associated with GFA Carve Outs and FSEs from Marketplace settlement of congestion, losses and hedging instruments as described under Section 8.2.2 of this Attachment AE, is calculated each day for every Asset Owner modeled to represent a GFA Carve Out or FSE. This Day-Ahead GFA Carve Out Daily Amount is calculated as follows:

$$\text{Day-Ahead GFA Carve Out Daily Amount per Asset Owner} = ((-1) * (\text{Day-Ahead Asset Energy Amount} + \text{Day-Ahead Non-Asset Energy Amount} + \text{Transmission Congestion Rights Funding Amount} + \text{Transmission Congestion Rights Daily Uplift} + \text{Day-Ahead Over Collected Losses Distribution Amount} + \text{Transmission Congestion Rights Auction Daily Amount} + \text{Auction Revenue Rights Daily Amount} + \text{Auction Revenue Rights Daily Uplift Amount}))$$

Where:

- (1) Day-Ahead Asset Energy Amount is equal to the daily sum of the hourly values calculated under Section 8.5.1(1) and 8.5.1(2) of this Attachment AE;
- (2) Day-Ahead Non-Asset Energy Amount is equal to the daily sum of the hourly values calculated under Section 8.5.1(3) of this Attachment AE;
- (3) Transmission Congestion Rights Funding Amount is equal to the daily sum of the hourly values calculated under Section 8.5.11 of this Attachment AE;
- (4) Transmission Congestion Rights Daily Uplift Amount is equal to the daily value calculated under Section 8.5.12 of this Attachment AE;
- (5) Day-Ahead Over-Collected Losses Distribution Amount is equal to the daily sum of the hourly values calculated under Section 8.5.16 of this Attachment AE;
- (6) Transmission Congestion Rights Auction Daily Amount is equal to the daily value calculated under Section 8.7.1 of this Attachment AE;
- (7) Auction Revenue Rights Daily Amount is equal to the daily value calculated under Section 8.7.2 of this Attachment AE; and
- (8) Auction Revenue Rights Daily Uplift Amount is equal to the daily value calculated under Section 8.7.3 of this Attachment AE.

8.5.19 Day-Ahead GFA Carve Out and FSE Monthly Amount

A Day-Ahead Market credit or charge for exclusion of GFA Carve Outs and FSEs from Marketplace settlement of Transmission Congestion Rights Monthly Payback Amount and Auction Revenue Rights Monthly Payback Amount, as described under Sections 8.5.13 and 8.7.4 of this Attachment AE, is calculated each month for every Asset Owner modeled to represent a GFA Carve Out or FSE. This Day-Ahead GFA Carve Out Monthly Amount is calculated as follows:

$$\text{Day-Ahead GFA Carve Out Monthly Amount per Asset Owner} = ((-1) * (\text{Transmission Congestion Rights Monthly Payback Amount} + \text{Auction Revenue Rights Monthly Payback Amount}))$$

Where:

- (1) Transmission Congestion Rights Monthly Payback Amount is equal to the monthly value calculated under Section 8.5.13 of this Attachment AE; and
- (2) Auction Revenue Rights Monthly Payback Amount is equal to the monthly value calculated under Section 8.7.4 of this Attachment AE.

8.5.20 Day-Ahead GFA Carve Out and FSE Yearly Amount

A Day-Ahead Market credit or charge for exclusion of GFA Carve Outs and FSEs from Marketplace settlement of Transmission Congestion Rights Yearly Payback Amount, Transmission Congestion Rights Yearly Closeout Amount, Auction Revenue Rights Yearly Payback Amount and Auction Revenue Rights Yearly Closeout Amount, as described under Sections 8.5.14, 8.5.15, 8.7.5 and 8.7.6 of this Attachment AE, is calculated each year for every Asset Owner modeled to represent a GFA Carve Out or FSE. This Day-Ahead GFA Carve Out Yearly Amount is calculated as follows:

$$\text{Day-Ahead GFA Carve Out Yearly Amount per Asset Owner} = ((-1) * (\text{Transmission Congestion Rights Yearly Payback Amount} + \text{Transmission Congestion Rights Yearly Closeout Amount} + \text{Auction Revenue Rights Yearly Payback Amount} + \text{Auction Revenue Rights Yearly Closeout Amount}))$$

Where:

- (1) Transmission Congestion Rights Yearly Payback Amount is equal to the yearly value calculated under Section 8.5.14 of this Attachment AE;
- (2) Transmission Congestion Rights Yearly Closeout Amount is equal to the yearly value calculated under Section 8.5.15 of this Attachment AE;
- (3) Auction Revenue Rights Yearly Payback Amount is equal to the yearly value calculated under Section 8.7.5 of this Attachment AE; and
- (4) Auction Revenue Rights Yearly Closeout Amount is equal to the yearly value calculated under Section 8.7.6 of this Attachment AE.

8.5.21 GFA Carve Out and FSE Distribution Daily Amount

The Transmission Provider shall perform the following calculation for each day for each Asset Owner and Settlement Location to ensure that the Day Ahead GFA Carve Out Daily Amount is distributed to all non GFA Carve Out load and non FSE load on a daily load ratio share basis, and that the Transmission Provider is revenue neutral.

GFA Carve Out Distribution Daily Amount =

GFA Revenue Inadequacy Daily Amount * Asset Owner Daily Distribution Factor * (-1)

Where:

- (1) The GFA Revenue Inadequacy Daily Amount is equal to the sum of all GFA Carve Out charges and payments calculated under Section 8.5.18 of this Attachment AE for that day; and
- (2) An Asset Owner's Daily Distribution Factor is equal to:
 - (a) The sum for all hours in the Operating Day of the Maximum of (i) zero or (ii) the Asset Owner's hourly Reported Load plus hourly Export Interchange Transactions minus the Asset Owner's hourly GFA Carve Out load minus the Asset Owner's hourly FSE load;

Divided by,

- (b) The sum for all Asset Owners and Settlement Locations of the values calculated in Section 8.5.21(2)(a).

8.5.22 GFA Carve Out and FSE Distribution Monthly Amount

The Transmission Provider shall perform the following calculation for each month for each Asset Owner and Settlement Location to ensure the Day Ahead GFA Carve Out Monthly Amount is distributed to all non GFA Carve Out load and non FSE load on a monthly load ratio share basis and that the Transmission Provider is revenue neutral.

$$\begin{aligned} &\text{GFA Carve Out Distribution Monthly Amount} = \\ &\text{GFA Revenue Inadequacy Monthly Amount} * \text{Asset Owner Monthly Distribution Factor} \\ &* (-1) \end{aligned}$$

Where:

(1) The GFA Revenue Inadequacy Monthly Amount is equal to the sum of all GFA Carve Out charges and payments calculated under Section 8.5.19 of this Attachment AE; and

(2) An Asset Owner's Monthly Distribution Factor is equal to:

(a) The sum for all hours in the month of the Maximum of (i) zero or (ii) the Asset Owner's hourly Reported Load plus hourly Export Interchange Transactions minus the Asset Owner's hourly GFA Carve Out load minus the Asset Owner's hourly FSE load;

Divided by,

(b) The sum for all Asset Owners and Settlement Locations of the values calculated in Section 8.5.22(2)(a).

8.5.23 GFA Carve Out and FSE Distribution Yearly Amount

The Transmission Provider shall perform the following calculation for each year for each Asset Owner and Settlement Location to ensure the Day Ahead GFA Carve Out Yearly Amount is distributed to all non GFA Carve Out load and non FSE load on an annual load ratio share basis and that the Transmission Provider is revenue neutral.

$$\begin{aligned} &\text{GFA Carve Out Distribution Yearly Amount} = \\ &\text{GFA Revenue Inadequacy Yearly Amount} * \text{Asset Owner Yearly Distribution Factor} * \\ &(-1) \end{aligned}$$

Where:

- (1) The GFA Revenue Inadequacy Yearly Amount is equal to the sum of all GFA Carve Out charges and payments calculated under Section 8.5.20 of this Attachment AE; and
- (2) An Asset Owner's Yearly Distribution Factor is equal to:
 - (a) The sum for all hours in the year of the Maximum of (i) zero or (ii) the Asset Owner's hourly Reported Load plus hourly Export Interchange Transactions minus the Asset Owner's hourly GFA Carve Out load minus the Asset Owner's hourly FSE load,
divided by:
 - (b) The sum for all Asset Owners and Settlement Locations of the values calculated in Section 8.5.23(2)(a) of this Attachment AE.

8.9 GFA Carve Out or FSE Uplift

The Transmission Provider shall determine the congestion charges and marginal loss charges related to the GFA Carve Outs or FSE. Subject to Section 7.0(b)(i) of this Attachment AE, these charges will be offset by the ARR/TCR settlement that would have been claimed for each GFA Carve Out or FSE under the normal ARR/TCR process and by the distribution of associated Marginal Loss Overcollection funds. The Transmission Provider shall perform calculations in accordance with Sections 8.5.18 through 8.5.23 of this Attachment AE to ensure that the Transmission Provider is revenue neutral for the expense or credit attributed to GFA Carve Out Schedules or FSE Schedules. The Transmission Provider shall calculate uplift charges or credits on a load ratio share basis to each Market Participant for all load Asset Owners it represents, excluding from such calculations all load served under GFA Carve Out Schedules or FSE Schedules. The Daily, Monthly, and Yearly GFA Carve Out Uplift Distribution Amounts shall not be charged or credited to a GFA Carve Out Responsible Entity to the extent of load it serves under GFA Carve Out Schedules. The Daily, Monthly, and Yearly Uplift Distribution Amounts associated with FSE Schedules shall not be charged or credited to Western-UGP for the amount of load served under FSE Schedules.

10.1 Settlement Statements

- (1) The Transmission Provider shall issue a preliminary Settlement Statement for an Operating Day no later than seven (7) calendar days following the applicable Operating Day unless the seventh (7) day following the applicable Operating Day is not a business day, in which case, the preliminary Settlement Statement shall be issued on the first business day thereafter.
- (2) The Transmission Provider shall issue a final Settlement Statement for an Operating Day no later than forty-seven (47) calendar days following the applicable Operating Day unless the forty-seventh (47) calendar day following the applicable Operating Day is not a business day, in which case, the final Settlement Statement shall be issued on the first (1) business day thereafter.
- (3) The Transmission Provider shall make corrections to the preliminary and final Settlement Statements for an Operating Day for data errors and Settlement Statement disputes that have been resolved. Settlement associated with a specific Operating Day shall be considered final at the end of the three hundred sixty-fifth (365) calendar day following the applicable Operating Day.
- (4) To the extent that a Market Participant, or its designated meter agent, does not submit meter data representing that Market Participant's actual Resource output and load consumption, either on a five (5) minute basis or an hourly basis in accordance with the timelines specified in the Market Protocols, the Transmission Provider shall use estimated data for that Market Participant that is equal to that Market Participant's telemetered generation and load for the applicable intervals or State Estimator values if telemetered values are not available for the purposes of calculating the preliminary statements specified under Sections 10.1(1). To the extent a Meter Agent does not submit data representing the metering of each interconnecting tie-line between Settlement Areas, the Transmission Provider will substitute State Estimator values. In the event that actual meter data is not submitted prior to the issuance of a final Settlement Statement, the Transmission Provider shall use the best available data, which may include estimated meter data as developed by the Transmission Provider, for the purposes of calculating final Settlement Statements.

- (5) The Transmission Provider shall remove from the GFA Responsible Entity's Settlement Statement all charges associated with the cost of congestion and the cost of losses for GFA Carve Out transactions based on the Day-Ahead Market for the designated Settlement Locations, as set forth in Section 8.2.2 of Attachment AE. The Transmission Provider removal of all charges associated with the cost of congestion and the cost of losses for GFA Carve Out is subject to the GFA Responsible Entity's compliance with the requirements of Section 8.2.2.1 of Attachment AE

- (6) The Transmission Provider shall remove from Western-UGP's Settlement Statement all charges associated with the cost of congestion and the cost of losses for FSE transactions based on the Day-Ahead Market for the designated Settlement Locations, as set forth in Section 8.2.3 of this Attachment AE. Such removal is subject to Western-UGP's compliance with the requirements of Section 8.2.3.1 of this Attachment AE.

4. Market Monitoring

4.1 Markets to be Monitored

The Market Monitor will monitor Markets and Services. The Market Monitor will not monitor bilateral energy, transmission or capacity markets and services not administered, coordinated or facilitated by SPP, except to assess the effect of these markets and services on Markets and Services, or the effects of Markets and Services on these unmonitored markets. Similarly, the Market Monitor will not monitor the energy, transmission or capacity markets and services in regions adjacent to the SPP Region except to assess the effect of these markets and services on Markets and Services, or the effects of Markets and Services on these adjacent markets.

4.2 Market Monitoring Scope

The Market Monitor will implement the Plan. The markets will require continuous monitoring by the Market Monitor. The Market Monitor will monitor Markets and Services by reviewing and analyzing market data and information including, but not limited to:

- (a) Resource registration data;
- (b) Resource Offer data including non-price related offer parameters required for use in either the Day-Ahead Market, Reliability Unit Commitment process and/or Real-Time Balancing Market;
- (c) Demand Bids for the purchase of Energy in the Day-Ahead Market;
- (d) Virtual Energy Bids for the purchase of Energy in the Day-Ahead Market and Virtual Energy Offers for the sale of Energy in the Day-Ahead Energy Market;
- (e) Export Interchange Transaction Bids and Import Interchange Transaction Offers for the purchase and sale of Energy in the Day-Ahead Market and the Real-Time Balancing Market;
- (f) Actual commitment and dispatch of Resources, including but not limited to Resource MW capability and output, MVAR capability and output, status, and outages;

- (g) Locational Marginal Prices and zonal Market Clearing Prices at all Settlement Locations in or affecting any of Markets and Services;
- (h) SPP Balancing Authority Area data, including but not limited to demand, area control error, Net Scheduled Interchange, actual total net interchange, and forecasts of operating reserves and peak demand;
- (i) Conditions or events both inside and outside the SPP Balancing Authority Area affecting the supply and demand for, and the quantity and price of, products or services sold or to be sold in Markets and Services;
- (j) Information regarding transmission services and rights, including the estimating and posting of Available Transfer Capability (“ATC”) or Available Flowgate Capability (“AFC”), administration of this Tariff, the operation and maintenance of the transmission system, any auctions or other markets for transmission rights, and the reservation and scheduling of transmission service;
- (k) Information regarding the nature and extent of transmission congestion in the region and, to the extent practicable, transmission congestion on any other system that affects Markets and Services, including but not limited to causes of, costs of and charges for transmission congestion, transmission facility loading, MVA capability, line status and outages;
- (l) Settlement data for the Markets and Services;
- (m) Any information regarding collusive or other anticompetitive or inefficient behavior in or affecting any of Markets and Services;~~and~~
- (n) Generation resource operating cost data for estimating resource incremental cost, including fuel input costs, heat rates where applicable, start-up fuel requirements, environmental costs and variable operating and maintenance expenses;~~;~~
- (o) Logs of transmission service requests and Generation Interconnection Requests along with the disposition of each request and the explanation of any refused requests;~~;~~ and
- (p) Any additional Resource and transmission facility outage data not otherwise provided for in this Section 4.2;~~;~~

- (q) GFA Carve Out Schedules; and
- (r) FSE Schedules.

4.2.1 Additional Market Monitor Duties

- (a) In addition to the monitoring of market Data and Information, the Market Monitor may communicate with SPP Staff and Market Participants at any time for the purpose of monitoring and assessing market conditions.
- (b) The Market Monitor shall evaluate the effectiveness of Markets and Services in signaling the need for investment in new generation, transmission or demand response infrastructure and report on its findings at least annually.

4.3 Referrals to the Commission

- (a) The Market Monitor shall report suspected market violations, as defined in 18 CFR 35.28(b)(8), to FERC's Office of Enforcement (or its successor organization) staff in accordance with the FERC's reporting protocols for referrals by market monitors as specified in 18 C.F.R. § 35.28(g)(3)(iv) in a timely manner. Any such reports by the Market Monitor to FERC Staff shall be on a confidential basis, and all information and documents included in such reports will not be released to any other party except to the extent FERC directs or authorizes such release, unless such information and documents are already in the public domain.

4.4 Monitoring for Potential Integrated Marketplace Manipulation

The Market Monitor will monitor for potential instances of market manipulation in the Integrated Marketplace. Such actions or transactions that are without a legitimate business purpose and that are intended to or foreseeably could manipulate market prices (including actions resulting in excessive day-ahead clearing prices), market conditions, or market rules for electric energy or electric products are prohibited. As listed by the FERC, prohibited behavior includes (a) wash trades, (b) submission of false data, (c) actions to cause artificial congestion

and (d) collusive acts. The Market Monitor will report any market manipulation in the Integrated Marketplace in a timely manner.

4.5 Monitoring for Potential Transmission Market Power Activities

The Market Monitor shall monitor Markets and Services for the exercise of transmission market power by reviewing and analyzing data and information related to the availability of transmission facilities that impact access to services under this Tariff. The Market Monitor will monitor for activities particularly with respect to the withholding of transmission facilities or transmission capacity, including activities such as but not limited to, the following:

- (a) Physical withholding by Transmission Owners by providing improper information related to the availability of transmission, such as information related to the capability or other modeling data used by SPP for use in system operations;
- (b) Economic withholding by Transmission Owners through the use of methods and data for estimating costs of interconnection and system upgrades that is not comparable for affiliates and non-affiliates;
- (c) Unavailability of transmission facilities through planned and unplanned maintenance outages that routinely exceed historical baselines; and
- (d) Withholding of transmission capacity through excess reservations that are not actually used.

The Market Monitor shall refer any perceived market design flaws and recommended Tariff language changes to the Commission's Office of Energy Market Regulation (or its successor office/organization). In addition, the Market Monitor shall refer any instance(s) of the suspected exercise of transmission market power directly to the Commission's Office of Enforcement (or its successor organization) utilizing the protocols for referrals to the Commission for suspected instances of the exercise of market power that may be part of a suspected market violation, such as manipulation, in accordance with 18 C.F.R. § 35.28(g)(3)(iv). Where appropriate, the Market Monitor shall also provide the FERC with an estimate of damages equal to (i) the effect on prices multiplied by

(ii) the affected energy produced by the Transmission/Generation Owner. The Market Monitor may also request the FERC to impose additional sanctions and penalties, which may consist of a fixed dollar amount based on each instance, or an amount up to (i) the effect on prices multiplied by (ii) the affected energy produced by Market Participants other than the Transmission/Generation Owner. All such referrals by the Market Monitor to FERC will be on a confidential basis, and all information and documents included in such reports will not be released to any other party except to the extent FERC directs or authorizes such release.

4.6 Monitoring for Market Participant Behavior Possibly Warranting Mitigation

The Market Monitor shall monitor Markets and Services for potential abuse associated with the following categories of Market Participant behavior: (1) economic withholding; (2) uneconomic production; (3) physical withholding; (4) uneconomic Virtual Bids and Virtual Offers; ~~and~~ (5) gaming related to GFA Carve Out Schedules; and (6) gaming related to FSE Schedules. The mitigation measures for each of the behaviors identified in items (1) through (4) of this paragraph are described in Attachment AF. When the Market Monitor determines that there is sufficient credible information about a specific abusive practice, the issue will be referred to the Commission's Office of Enforcement (or its successor organization). Nothing in this section shall limit the Market Monitor's obligation to refer other suspected market violations to the Commission's Office of Enforcement, even where suspected behavior does not fall explicitly within the abovementioned categories or descriptions.

4.6.1 Uneconomic Production

The Market Monitor will monitor for cases where uneconomic production by a Resource causes congestion on transmission facilities or price separation between Reserve Zones that is not justified by reliability concerns. The provisions of this Section 4.6.1 shall not apply to Demand Response Resources.

- (a) Potential uneconomic production will be indicated, and subject to further analysis as described in (b) of this Section 4.6.1, when the Resource has a positive Resource-to-Load Distribution Factor and any of the following conditions are met:
 - (1) a Resource is identified with an incremental energy offer price less than 50 percent of the applicable reference level; or
 - (2) a Resource is determined to be generating outside of its Operating Tolerance; or
 - (3) a Resource is subject to a time-based or other resource offer parameter (non-time and non-dollar based) that appears to facilitate production that is otherwise uneconomic.
- (b) For any Resource meeting the conditions described in (a) of this Section 4.6.1, the Market Monitor shall determine whether: (i) the MW impact from uneconomic production associated with such Resource is exacerbating the transmission congestion or binding a Reserve Zone; and (ii) the uneconomic production is not obviously justified by reliability or other operational concerns.

The Market Monitor will conduct evaluations as specified above and other related assessments to determine if there is sufficient credible information to justify referral to the Commission.

4.6.2 Monitoring for Virtual Energy Bids and Virtual Energy Offers

The Market Monitor will monitor the level of divergence between the Day-Ahead Market LMPs and the Real-Time Balancing Market LMPs. Section 4.6.3 defines the monitoring metric and thresholds to be used in determining the existence of excessive LMP divergence. In the case that there is excessive LMP divergence, the Market Monitor will determine if the LMP divergence is attributable to the Virtual Energy Bid and Virtual

Energy Offer behavior of one or more Market Participants. If the Market Monitor identifies one or more Market Participants as having caused the excessive LMP divergence through Virtual Energy Bid and Virtual Energy Offer behavior, then the Transmission Provider shall impose mitigation measures described in Section 4.0 of Attachment AF.

4.6.3 Metric and Threshold Specifications

The Market Monitor will compute the hourly LMP deviation between the Day-Ahead Market and Real-Time Balancing Market using the following formula: $[(LMP_{RTBM} / LMP_{DA\ Market}) - 1] * 100$. The average hourly LMP deviation is computed over a rolling four (4) week period or any other period that the Market Monitor determines is appropriate. If the four (4) week rolling average is below negative ten percent (-10%) or in excess of ten percent (10%), then the divergence is considered excessive and additional analysis is required.

4.6.4 Physical Withholding

The Market Monitor will monitor for physical withholding of capacity from the Energy and Operating Reserve Markets, and unavailability of facilities. Physical withholding and unavailability of facilities may include:

- (a) Declaring that a Resource has been derated, forced out of service or otherwise been made unavailable for technical reasons that are untrue or that cannot be verified;
- (b) Refusing to provide offers or schedules for a Resource when it would otherwise have been in the economic interest to do so without market power;
- (c) Operating a Resource in real-time to produce an output level that is less than the dispatch instruction;
- (d) Derating a transmission facility for technical reasons that are not true or verifiable;

- (e) Operating a transmission facility in a manner that is not economic and that causes a binding transmission constraint or binding reserve zone or local reliability issue; and
- (f) Declaring that the capability of Resources to provide Energy or Operating Reserves is reduced for reasons that are not true or verifiable.

Market Participants will not be deemed to be physically withholding if they are following the directions of the SPP Balancing Authority, Reliability Coordinator, or applicable reliability standards. In addition, Market Participants will not be determined to have physically withheld if they are selling into another market at a higher price.

4.6.4.1 Thresholds for Identifying Physical Withholding of Resource Capacity

4.6.4.1.1 A Market Participant is deemed to be physically withholding capacity in a Frequently Constrained Area if all of the following conditions exist:

- (a) One or more of the transmission constraints or Reserve Zone constraints that define the Frequently Constrained Area are binding; and
- (b) The Market Participant controls or owns a Resource located in the Frequently Constrained Area that satisfies condition 4.6.4(a), 4.6.4(b), 4.6.4(c), or 4.6.4(f) of this Attachment AG.

4.6.4.1.2 A Market Participant is deemed to be physically withholding capacity in an area not designated as a Frequently Constrained Area if all of the following conditions exist:

- (a) One or more transmission constraints are binding or a Reserve Zone is binding; and
- (b) The Resource(s) meets either of the following criteria (1) or (2);

- (1) Such Resource(s) satisfy one of the conditions in Sections 4.6.4(a), 4.6.4(b), or 4.6.4(f) of this Attachment AG and the total withheld capacity exceeds the lower of 5 percent of the total capability owned or controlled by the Market Participant or 200 MW; or
- (2) Where the real-time output of each such Resource is less than the Resource's Operating Tolerance defined in Attachment AE, Section 6.4.1 of this Tariff and the Resource is not exempt from Uninstructed Resource Deviation under Attachment AE, Section 6.4.1.1 of this Tariff.

4.6.4.2 Thresholds for Screening of Potential Physical Withholding of Transmission Facilities

A transmission facility fails the physical withholding screen if either of the following conditions is met:

- (a) The transmission facility satisfies a condition in Section 4.6.4(d) or 4.6.4(e) of this Attachment AG; or
- (b) The Market Monitor identifies a pattern of scheduling outages resulting in increased market costs compared to an alternative and lower cost impact outage schedule.

4.6.4.3 Sanctions

The Market Monitor will record instances where Market Participants have failed the screens in Sections 4.6.4.1 and 4.6.4.2 of this Attachment AG and notify the Commission's Office of Enforcement, or successor organization, of such behavior. In the event the Market Monitor

determines there is credible evidence of a market violation, the Market Monitor shall make a referral to the Commission as described in Section 4.3 of this Attachment AG.

ATTACHMENT AN

AGREEMENT BETWEEN SOUTHWEST POWER POOL, INC. AND SOUTHWEST POWER POOL BALANCING AUTHORITY PARTICIPANTS RELATING TO THE IMPLEMENTATION OF THE SOUTHWEST POWER POOL BALANCING AUTHORITY

Southwest Power Pool, Inc. and the SPP BA Participants in the SPP Balancing Authority (as such terms are defined below) agree to the following terms.

1. RECITALS

- 1.1 In its May 1, 2007 Order in *Southwest Power Pool, Inc.*, Docket No. ER06-451-020, the FERC approved the EIS Agreement which provided for the performance of Balancing Authority responsibilities relating to implementation of the EIS Market through the SPP Open Access Transmission Tariff.
- 1.2 Through the EIS Agreement the Parties set out in detail the division and transfer of certain responsibilities between those entities identified as SPP Balancing Authorities in the EIS Agreement, and SPP relating to implementation of the EIS Market through the SPP OATT.
- 1.3 The Parties are replacing the EIS Agreement to accommodate the development and implementation of the SPP Integrated Marketplace and SPP becoming the Balancing Authority for the entire consolidated SPP Balancing Authority Area.
- 1.4 The Parties believe that this Agreement is in the public interest.

2. DEFINITIONS

- 2.01 **ACTUAL INTERCHANGE.** The metered interchange over a specific interconnection, including pseudo-ties, between two directly interconnected BAs.
- 2.02 **ADJACENT BALANCING AUTHORITY.** As defined in the NERC Glossary of Terms.
- 2.03 **AGREEMENT.** This “Agreement Between Southwest Power Pool, Inc. And Southwest Power Pool Balancing Authority Participants Relating To The Implementation Of The Southwest Power Pool Balancing Authority.”
- 2.04 **AREA CONTROL ERROR (ACE).** As defined in the NERC Glossary of Terms.
- 2.05 **AUTOMATIC GENERATION CONTROL (AGC).** As defined in the NERC Glossary of Terms.

- 2.06 **BALANCING AUTHORITY (BA).** As defined in the NERC Glossary of Terms.
- 2.07 **BA OPERATING PROTOCOLS.** The operating protocols entitled “BA Operating Protocols of the Participants and SPP” that are developed by the SPP BA, as may be amended from time to time, to describe in more detail the obligations of the Parties to implement this Agreement.
- 2.08 **BULK ELECTRIC SYSTEM.** As defined in the NERC Glossary of Terms.
- 2.09 **DYNAMIC SCHEDULE.** As defined in the NERC Glossary of Terms.
- 2.10 **EFFECTIVE DATE.** The effective date of this Agreement as specified in Section 16.2 of this Agreement.
- 2.11 **EIS AGREEMENT.** The “Agreement Between Southwest Power Pool, Inc. And Southwest Power Pool Balancing Authorities Relating To Implementation Of The EIS Market.”
- 2.12 **ERO.** The Electric Reliability Organization approved by FERC.
- 2.13 **ERO BALANCING AUTHORITY RELIABILITY STANDARDS.** Those reliability standards and requirements applicable to Balancing Authorities as those standards and requirements exist or are hereafter modified or adopted by the ERO.
- 2.14 **ERO RELIABILITY STANDARDS.** Standards developed by the ERO and approved by the Commission to ensure reliability of the Bulk Power System, violation of which may result in the imposition of mitigation programs or monetary penalties.
- 2.15 **FEDERAL POWER MARKETING AGENCY.** This term shall include the term “Federal Power Marketing Administration” and have the same definition that is set forth in the Federal Power Act at 16 U.S.C. § 796(19), which defines “Federal power marketing agency” as “any agency or instrumentality of the United States (other than the Tennessee Valley Authority) which sells electric energy[.]”
- 2.1~~5~~6 **FERC or the COMMISSION.** The Federal Energy Regulatory Commission or any successor agency.
- 2.1~~6~~7 **GENERATOR OPERATOR (GOP).** As defined in the NERC Glossary of Terms.
- 2.1~~7~~8 **GENERATOR OWNER (GO).** As defined in the NERC Glossary of Terms.
- 2.1~~8~~9 **GOOD UTILITY PRACTICE.** Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility 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 the acceptable practices, methods, or acts generally accepted in the region.

2.1920 GOVERNING DOCUMENTS. The following documents as may be amended from time to time: (a) Southwest Power Pool, Inc. OATT; (b) Southwest Power Pool, Inc. Membership Agreement; (c) Southwest Power Pool, Inc. Bylaws; (d) Joint Operating Agreement Between the Midwest Independent Transmission System Operator, Inc. and Southwest Power Pool, Inc.; (e) Joint Operating Agreement Among And Between Southwest Power Pool, Inc. and Associated Electric Cooperative Inc.; ~~(f) Seams Agreement Between Entergy Services, Inc. and Southwest Power Pool, Inc.; (g) Joint Operating Agreement among and between Southwest Power Pool, Inc. and Western Area Power Administration;~~ and ~~(h)~~ any joint operating agreements or seams agreements executed by SPP after the filing of this Agreement with the FERC.

2.201 INTEGRATED MARKETPLACE. The Day-Ahead Market, the Real-Time Balancing Market, the Transmission Congestion Rights Market and the Reliability Unit Commitment processes.

2.242 INTERCONNECTION. The Eastern Interconnection as defined by the NERC Glossary of Terms.

2.223 LOAD SERVING ENTITY (LSE). As defined in the NERC Glossary of Terms.

2.234 MARKET MONITOR. The entity that is responsible for performing the monitoring and mitigation activities described in Attachments AF and AG to the SPP OATT.

2.245 MARKET PARTICIPANT. As defined in the SPP OATT.

2.256 MEMBERSHIP AGREEMENT. The Membership Agreement of the Southwest Power Pool, Inc., an Arkansas non-profit corporation.

2.267 NET ACTUAL INTERCHANGE. As defined in the NERC Glossary of Terms.

2.278 NET SCHEDULED INTERCHANGE. As defined in the NERC Glossary of Terms.

2.289 NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION (NERC). The North American Electric Reliability Corporation or its successor organization.

~~2.29~~30 **OPEN ACCESS TRANSMISSION TARIFF (OATT).** FERC approved Pro-Forma Open Access Transmission Tariff.

~~2.30~~1 **OPERATING COMMITTEE.** A committee comprised of one member from each of the Parties to this Agreement and which shall perform the duties identified in Section 18.4.

~~2.34~~2 **PARTIES.** The SPP BA Participant and SPP that have executed this Agreement. SPP and SPP BA Participant may be individually referred to as a “Party.”

~~2.32~~3 **PURCHASING AND SELLING ENTITY (PSE).** As defined in the NERC Glossary of Terms.

~~2.33~~4 **RESOURCE PLAN.** A Market Participant’s plan to meet its energy obligations including specification of resource operating characteristics.

~~2.34~~5 **SOUTHWEST POWER POOL (SPP).** Southwest Power Pool, Inc., or any successor organization, that is designated as the SPP BAA under this Agreement.

~~2.35~~6 **SPP BALANCING AUTHORITY (SPP BA).** The responsible entity registered with the ERO as the BA, and that performs all the functions of the BA in the SPP BAA on behalf of the Parties to this Agreement.

~~2.36~~7 **SPP BALANCING AUTHORITY AREA (SPP BAA).** The SPP BAA consists of the transmission system, load and generation resources interconnected to the SPP Transmission System, as defined under the SPP OATT, that: (a) function as a centrally coordinated system and (b) operate subject to the single set of dispatch instructions determined and issued by the SPP BA. The SPP BA maintains load-resource balance within its SPP BAA.

~~2.37~~8 **SPP BA PARTICIPANT.** An operational entity, which is: (a) a Party to this Agreement, excluding SPP, and (b) shown in Appendix A to this Agreement. For purposes of this Agreement, an SPP BA Participant may have previously been registered as a BA under the EIS Agreement.

~~2.38~~9 **SPP BA PARTICIPANT AREA.** The collection of generation, transmission, and loads that are within the metered boundaries of the SPP BA Participant.

~~2.39~~40 **SPP CRITERIA.** SPP’s approved operating and planning criteria.

~~2.40~~1 **TIE LINE.** As defined in the NERC Glossary of Terms.

~~2.41~~2 **TRANSMISSION OPERATOR (TOP).** As defined in the NERC Glossary of Terms.

~~2.42~~3 **TRANSMISSION OWNER (TO).** As defined in the NERC Glossary of Terms.

2.44 WESTERN AREA POWER ADMINISTRATION-UPPER GREAT PLAINS REGION (“WESTERN-UGP”): A division of the Western Area Power Administration that markets and transmits Federal power from reservoir projects under the control of the Department of the Army or the U.S. Bureau of Reclamation. Western-UGP operates the WAUW Balancing Authority Area in the Western Interconnection, where certain of its transmission facilities are located and is also a Transmission Owner that has transferred Federal transmission facilities to the functional control of SPP.

2.45 WESTERN INTERCONNECTION: A major alternating current power grid in North America. The Western Interconnection stretches from Western Canada south to Baja California in Mexico, reaching eastward over the Rockies to the Great Plains. Western Interconnection is comprised of the states of Washington, Oregon, California, Idaho, Nevada, Utah, Arizona, Colorado, Wyoming, portions of Montana, South Dakota, Nebraska, New Mexico and Texas in the United States, the Provinces of British Columbia and Alberta in Canada, and a portion of the Comisión Federal de Electricidad’s system in Baja California in Mexico.

3. GENERAL

- 3.1 **PURPOSE.** The purpose of this Agreement is to delineate the responsibilities between SPP, as the SPP BA, and the SPP BA Participants to establish the SPP BAA that facilitates the Integrated Marketplace to be implemented under the SPP OATT.
- 3.2 **OBLIGATIONS.** In carrying out obligations under this Agreement, SPP and the SPP BA Participants shall (a) follow Good Utility Practice, (b) comply with applicable policies, standards and requirements of the ERO Reliability Standards and SPP Criteria and their successors, and (c) follow applicable laws, regulations, and orders.
- 3.3 **REGISTRATION AND CERTIFICATION.** SPP shall be the SPP BA. The SPP BA will comply with the ERO’s applicable BA registration and certification requirements. SPP BA Participants shall support those functions consistent with the tasks and responsibilities assigned under this Agreement.
- 3.4 **RELATIONSHIP TO MEMBERSHIP AGREEMENT.** Nothing in this Agreement shall be construed or intended to cause or effect a modification to the Membership Agreement. This Agreement is intended to be separate from the Membership Agreement. All rights and obligations currently existing under the Membership Agreement remain.
- 3.5 **RELATIONSHIP TO EIS AGREEMENT.** This Agreement shall supersede the EIS Agreement upon the effective date specified in the Agreement; provided, however, this shall not eliminate any rights or obligations relating to prior actions, which shall survive the EIS Agreement including, but not limited to, rights or obligations arising under the following provisions: (a) indemnification; (b) waivers of liability; (c) no agreement to jurisdiction; (d) default; (e) cost recovery;

and (f) obligations upon termination by entities that terminated their participation in the EIS Agreement without executing this Agreement. Notwithstanding the foregoing in this Section 3.5, the SPP and the SPP BA Participants shall maintain the functionality necessary to comply with the EIS Agreement for a transition period after Integrated Marketplace start-up as determined by the Operating Committee.

4. SPP RESPONSIBILITIES.

4.1 SPP BA. SPP shall perform all tasks necessary to fulfill the role as the SPP BA, including adherence to all applicable ERO BA Reliability Standards and requirements except as delineated in Section 5 of this Agreement.

4.2 SPP NORMAL OPERATIONS

4.2.1 SPP shall be responsible for the identification of its critical assets and related critical cyber assets necessary to support reliable operation of the Bulk Electric System. SPP shall have no responsibility to identify critical assets or related critical cyber assets of any SPP BA Participant.

4.2.2 SPP shall be responsible for maintaining its internal telecommunications facilities in an adequate and reliable manner for the exchange of interconnection and operating information necessary to maintain reliability within its respective scope of operations. SPP shall have no responsibility for maintaining any SPP BA Participant's internal telecommunications facilities for the exchange of interconnection and operating information of any SPP BA Participant.

5. SPP BA PARTICIPANT RESPONSIBILITIES

5.1 TIE LINE METERING AND TELEMETRY. Each SPP BA Participant that has or is taking actions to have, one or more Tie Line(s) with an Adjacent Balancing Authority shall have, or cause to have, the Tie Line metering and telemetry responsibilities as set forth in this Section 5.1.

5.1.1 Each SPP BA Participant having one or more Tie Line(s) with an Adjacent Balancing Authority shall provide all Tie Line flows to the SPP BA.

5.1.1.1 Each SPP BA Participant shall ensure that the Tie Line megawatt (MW) metering is telemetered to the SPP control center.

Such SPP BA Participant shall maintain and provide to SPP suitable documentation (i.e. prints, equipment specifications, records) that verifies Tie Line MW metering physical location and actual metering point

The SPP BA Participant shall operate such that the MW-hour data is telemetered or reported to the SPP BA at the end of each hour.

5.1.1.2 Each SPP BA Participant shall ensure the power flow measurements transmitted to SPP from the Tie Line meters are not

filtered prior to transmission, except anti-aliasing Filters of Tie Lines.

5.1.1.3 Each SPP BA Participant shall ensure the installation of common metering equipment where Dynamic Schedules or pseudo-ties are implemented between SPP and an Adjacent Balancing Authority where applicable to account for the delivery of the output of units located external to the SPP BAA or to serve remote load physically external to the SPP BAA.

5.1.1.4 Each SPP BA Participant shall operate such that its sampling rate of data is compatible with the SPP's sampling rate of data, as specified by SPP.

5.1.1.5 Each SPP BA Participant shall provide SPP an inventory of all Tie Line(s) with Adjacent Balancing Authority(ies), including maps, prints, electrical drawings and diagrams, equipment descriptions as requested by SPP.

5.1.1.6 The SPP BA Participant shall timely inform SPP of any modifications, changes, status, and operability of the Tie Line metering equipment.

5.1.1.7 SPP and SPP BA Participant shall agree on the specific Tie Line (including pseudo ties), surrounding the SPP BAA.

5.1.1.8 Each SPP BA Participant shall maintain, re-calibrate and otherwise insure proper operation and accuracy of the Tie Line metering equipment at a frequency determined by SPP and documented in applicable SPP policies, procedures, and/or documents. Documents verifying such actions shall be provided to SPP as requested by SPP.

5.1.1.9 If SPP suspects inaccuracies or malfunction of Tie Line metering, SPP shall inform the SPP BA Participant. The SPP BA Participant shall take action necessary to verify timely Tie Line metering equipment accuracy and/or performance of the suspect Tie Line metering and take actions to restore data accuracy.

5.1.2 The addition of a Party or the withdrawal of a Party may result in the designation of an existing line as a Tie Line with an Adjacent Balancing Authority or result in an existing Tie Line with an Adjacent Balancing Authority to be no longer a Tie Line. If either event should occur, SPP shall so notify the affected SPP BA Participant. SPP and the impacted Party(ies) shall determine actions to be taken by SPP and/or the Party(ies) to conform to this Agreement in a timely manner.

5.2 FREQUENCY MEASUREMENTS. As may be reasonably requested by SPP, SPP BA Participants may be requested to supply SPP with frequency

measurements from locations agreed to by the Parties. SPP BA Participants that are designated to provide frequency measurements to SPP shall provide accurate frequency measurements from these location(s) with measurement quality indication.

SPP BA Participants shall perform annually, against a common reference, checks and calibrations of its time error and frequency devices used to supply SPP with data used by SPP to perform BA functions (“Actions”). For purposes of this section, “annually” shall mean “within a calendar year, with the calendar year beginning on January 1 and ending on December 31;” however, the period between subsequent annual checks and calibrations under this section shall not exceed fifteen (15) months. Documents verifying such Actions shall be provided to SPP BA as requested by SPP.

6. IMPLEMENTATION OF EMERGENCY OPERATING PLANS

6.1 SPP and each SPP BA Participant shall coordinate preparation and implementation of respective emergency operating plans. This coordination shall include, but not be limited to,

6.1.1 SPP BA Participant actions to interruption of load and/or exports as directed by SPP associated with capacity deficiencies; and,

6.1.2 SPP BA Participant actions to implement public appeals, voltage reductions, curtailment of interruptible and/or firm load as directed by SPP associated with capacity deficiencies.

7. BA OPERATING PROTOCOLS AND SPECIFIC ERO REQUIREMENT ASSIGNMENT

7.1 INITIAL ASSIGNMENT OF TASKS. Sections 4 and 5 of this Agreement set forth the tasks and responsibilities of the Parties to establish the single BA for the SPP BAA.

7.2 NEW OR MODIFIED RESPONSIBILITIES. When new and/or modified applicable responsibilities are required including those that might be initiated by the ERO, the Parties will negotiate in good faith to determine whether SPP and/or the SPP BA Participants shall ensure the performance of the new or modified responsibilities, and will amend this Agreement accordingly, pursuant to Section 17.4.

7.3 BA OPERATING PROTOCOLS. The SPP BA shall develop and maintain BA Operating Protocols that provide for operational requirements under this Agreement.

8. DATA EXCHANGE

8.1 **PARTIES' DATA EXCHANGE.** Each SPP BA Participant and SPP shall provide the information and data that a Party reasonably believes it needs and requests in order to carry out its responsibilities under this Agreement.

8.2 **CONFIDENTIALITY.** All data provided under this Section shall be considered information subject to the confidentiality provisions of Section 13 herein.

9. SPP BA PARTICIPANT COST RESPONSIBILITY. Each SPP BA Participant shall be responsible for all costs incurred by it to implement the provisions of this Agreement.

10. SANCTIONS, INQUIRIES AND ALLOWED ACTIONS

10.1 **SANCTIONS.** In the event the ERO assesses a monetary penalty against SPP as the Registered Entity BA for a violation of a Reliability Standard, SPP shall seek to recover the costs associated with the sanctions and/or monetary penalties pursuant to Attachment AP of the SPP OATT. For purposes of clarification, the term "Transmission Provider" as contained in Attachment AP shall mean SPP and the term "Member" in Attachment AP shall mean SPP BA Participants under this Agreement.

10.2 **INQUIRIES.** To the extent an SPP BA Participant's actions implementing SPP actions or directives pursuant to this Agreement are questioned, investigated or sanctioned by the ERO, the Market Monitor, or by an applicable regulatory agency, SPP shall aid the SPP BA Participant in responding to the inquiry, investigation, or sanctions.

10.3 **ALLOWED ACTIONS.** To the extent that the ERO, FERC or applicable regulatory agency determines that an SPP BA Participant's actions taken pursuant to this Agreement were inappropriate, SPP shall not require the SPP BA Participant to take such actions in the future. If the ERO, FERC or applicable regulatory agency requires that an SPP BA Participant take action inconsistent with this Agreement, SPP will allow such actions.

11. LIMITATIONS ON SPP ACTIONS

11.1 **GOVERNING DOCUMENTS.** Without limiting the generality of obligations provided in Section 3.2, SPP shall not issue any orders to any Party pursuant to this Agreement or take any action pursuant to this Agreement that SPP knows or should know is not in accordance with the Governing Documents.

11.2 **APPLICABLE LAWS.** SPP shall not issue any order to any other Party pursuant to this Agreement or take any action pursuant to this Agreement that SPP knows or should have known would cause a violation of applicable laws or tariffs.

12. INDEMNIFICATION, LIABILITIES, INSURANCE

12.1 **INDEMNIFICATION FOR THIRD PARTY CLAIMS.** Subject to Sections 12.1.1 and 12.1.2 hereof, each Party shall at all times indemnify, defend, and save harmless each

other Party to this Agreement and its officers, shareholders, directors, agents, contractors, employees, and members (*i.e.*, cooperative members and municipal joint action agency members) from and against any and all damages, losses, claims, including without limitation claims and actions relating to injury to, or death of, any person, or damage to property, demands, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties or other Parties (each, a “Claim”), but only to the extent caused by the Indemnifying Party’s (as defined below) acts or omissions during performance of its obligations under this Agreement. The term Claim shall not include civil penalties, fines, assessments or any other charges levied against a Party and recovered pursuant to Section 10 of this Agreement.

12.1.1 SOVEREIGN IMMUNITY. Notwithstanding anything to the contrary in this Agreement, no Party which has been granted sovereign tort immunity under applicable law shall have any indemnification obligation in connection with any Claim that would be subject to such immunity if brought against that Party, and nothing contained in this Agreement shall be construed as a waiver by any Party of its sovereign tort immunity.

12.1.2 NOTICE. Upon obtaining knowledge of any Claim, a Party with a right to be indemnified (“Indemnified Party”) shall promptly notify each Party who has an obligation to indemnify (“Indemnifying Party”) in writing of such Claim, provided however, that failure of the Indemnified Party timely to give notice to the Indemnifying Party shall not release the Indemnifying Party from its indemnity obligations set forth in this Agreement except to the extent that the Indemnifying Party has been actually prejudiced by such failure. Following receipt of such notice, and unless counsel to the Indemnified Party shall have determined in good faith that the assumption of such defense by the Indemnifying Party would be inappropriate due to a conflict of interest, the Indemnifying Party shall have the option, at its cost and expense, to assume the defense of such matter and to retain counsel (not reasonably objected to by the Indemnified Party) to defend any such Claim, and the Indemnifying Party shall not be liable to the Indemnified Party for any fees of other counsel or any other expenses (except as expressly provided to the contrary herein) with respect to the defense of such Claim, other than reasonable fees and expenses of counsel employed by the Indemnified Party for any period during which the Indemnifying Party has not assumed the defense thereof. The Indemnified Party shall have the option of joining the defense of such Claim with its own counsel (which shall be at the sole cost and expense of the Indemnified Party) and counsel for each of the Indemnified and Indemnifying Party shall cooperate with each other to the extent consistent with such counsel’s professional responsibilities. In effecting the settlement or compromise of, or consenting to the entry of any judgment with respect to, any such Claim (“Settlement”), the Indemnifying Party, or the Indemnified Party, as the case may be, shall act in good faith and shall consult with the other Party. The Indemnified Party shall enter into only such Settlement as the Indemnifying Party shall consent to, such prior written consent not to be unreasonably withheld, conditioned or delayed. An Indemnifying Party shall not

be liable for any Settlement not made in accordance with the preceding sentence. An Indemnifying Party shall notify the Indemnified Party reasonably in advance of entering into any Settlement of a Claim for which the Indemnifying Party has assumed the defense, and shall obtain the Indemnified Party's prior written consent thereto, not to be unreasonably withheld, conditioned or delayed, if such Settlement (i) imposes any obligation on the Indemnified Party other than, or in addition to, an obligation to pay money which the Indemnifying Party has assumed, (ii) involves any admission of wrongdoing, fault or liability on behalf of the Indemnified Party, whether express or implied, or (iii) does not fully and unconditionally release the Indemnified Party from all liability in connection with such Claim, which release shall be in form and substance reasonably satisfactory to the Indemnified Party.

12.1.3 NOTICE TO OTHER PARTIES. In the event an Indemnified Party provides notice to an Indemnifying Party pursuant to Section 12.1.2, an Indemnifying Party shall timely provide all other Parties the same notice the Indemnifying Party receives from the Indemnified Party.

12.1.4 WESTERN-UGP REQUIREMENTS. Section 12.1 does not apply to Western-UGP pursuant to the Antideficiency Act, 31 U.S.C. § 1341, et seq., as amended or supplemented. Western-UGP's liability is determined in accordance with the Federal Tort Claims Act, 28. U.S.C. § 1346(b), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.

12.2 LIABILITY LIMITATION FOR INTER-PARTY CLAIMS. No Party shall be liable to the SPP for any damages whatsoever, including, without limitation, direct, indirect, incidental, special, multiple, consequential (including without limitation attorneys' fees and litigation costs), exemplary, or punitive damages arising out of or resulting from any act or omission in any way associated with the performance of the Party's responsibilities under this Agreement, except to the extent, and only to the extent, that the Party is found liable for gross negligence or intentional misconduct, in which case the Party shall not be liable for any indirect, incidental, special, multiple, consequential (including without limitation attorneys' fees and litigation costs), exemplary or punitive damages. The SPP shall not be liable to any Party for any indirect, incidental, special, multiple, consequential (including without limitation attorneys' fees and litigation costs), exemplary or punitive damages.

12.3 INSURANCE. Each Party shall be self-insured and/or obtain adequate insurance coverage to cover liabilities, if any, under this Agreement to be effective as of the effective date of this Agreement.

13. STANDARDS OF CONDUCT, INFORMATION SHARING, CONFIDENTIALITY

13.1 SPP BA PARTICIPANTS. This Agreement does not require any SPP BA Participant to separate SPP BA Participant personnel from marketing personnel; nor does this Agreement waive any requirement of the Commission's Standards of Conduct or exempt any public utility SPP BA Participant from the Standards of

Conduct. This Section 13.1 applies to both the public utility SPP BA Participants and the non-public utility SPP BA Participants that are signatories to this Agreement.

13.1.1 In general, personnel of an SPP BA Participant performing functions under this Agreement shall keep all information received from SPP or other entities relating to its performance under this Agreement confidential and shall not disclose such information to Market Participants (including marketing personnel that are part of the same company as the SPP BA Participant) or entities which it reasonably believes may become Market Participants. Notwithstanding the foregoing, and subject to subparagraph [13.1.2](#)(b) below, an SPP BA Participant with personnel who perform both SPP BA Participant and market functions may disclose information received from the SPP or other entities to its personnel.

13.1.2 SPP shall have the right to limit the sharing of market sensitive information related to non-affiliated Market Participants to an SPP BA Participant with personnel who perform both functions under this agreement and market functions; except when:

- (a) no other Market Participant under the Integrated Marketplace with registered resource(s) controls generation connected to a Party's facilities, or
- (b) the SPP BA Participant is a signatory to the ~~North American Electric Reliability Council~~NERC Confidentiality Agreement for Electric System Operating Reliability Data and Annex 1 thereto (Limited Operating Reliability Data Agreement for Small Bundled Entities). Each SPP BA Participant with personnel performing such dual functions shall notify SPP of that fact, and, to the extent permitted by law, the SPP BA Participant shall not disclose confidential information to third party Market Participants or third parties which it reasonably believes may become Market Participants.

13.1.3 Notwithstanding the above, SPP shall provide, to the extent necessary, information to allow the SPP BA Participant to perform its functions under this Agreement and to comply with ERO and regional reliability requirements.

13.1.4 There shall be no requirement to keep information confidential if such information is in the public domain or subject to open records laws. In addition, if the ERO requires that the SPP BA Participant provide information required to be confidential under this provision, the SPP BA Participant may provide such information to the requesting entity, provided that the SPP BA Participant shall make a good faith attempt to

maintain the confidentiality of the information, notwithstanding the information request, and provided further that, in the case of a request by a state regulatory agency for confidential information, the SPP BA Participant may provide confidential information to such state regulatory agency as necessary to satisfy state regulatory responsibilities and, subject to applicable law, only to the extent that the state regulatory agency executes a non-disclosure agreement.

- 13.2 SOUTHWEST POWER POOL. SPP, its directors, officers, employees, contractors, and agents shall adhere to the SPP Standards of Conduct with regard to all activities related to this Agreement.

14. DISPUTE RESOLUTION

- 14.1 GENERAL. These procedures are established for the equitable, efficient and expeditious resolution of disputes consistent with SPP's Bylaws. These procedures are intended to cover disputes between any two or more SPP BA Participants, or between SPP and any SPP BA Participant(s). SPP and SPP BA Participant(s) are strongly encouraged to take part in the complete process herein described prior to litigation or the utilization of other dispute resolution processes. SPP administrative involvement in the proceeding is to coordinate with an appropriate firm or panel to facilitate the resolution of the dispute and to provide meeting coordination and facilities. These procedures do not apply to disputes that are covered by the dispute resolution procedures of the SPP OATT.
- 14.2 INSTIGATION. Any SPP BA Participant may begin these dispute resolution procedures by notifying the SPP President in writing. The SPP President will inform the SPP Board of Directors of the initiation of any dispute resolution proceedings. This written notification must contain the authorized signatures of all Parties to the dispute. The notification must contain: (a) a statement of the issues in dispute; (b) the positions of each of the Parties relating to each of the issues; (c) the specific dispute resolution procedure desired; and (d) any agreed-upon modifications or specific additions to the proceedings described in this Agreement by which the dispute may be resolved.
- 14.3 DISPUTE RESOLUTION PROCESS.
- 14.3.1 In the event SPP is a party to the dispute, the parties shall engage a firm specializing in alternative dispute resolution to administer the dispute resolution process. The firm will be mutually determined by the parties and the process will be administered in accordance with this Agreement and such other SPP governing documents as may be relevant to the proceeding. In the event the parties cannot mutually agree to the engagement of a firm, the dispute resolution process will be abandoned and other available means for resolution will be pursued.
- 14.3.2 In the event SPP is not a party to the dispute, the parties to the dispute may engage a firm specializing in alternative dispute resolution to administer the dispute resolution process. The firm will be mutually determined by the parties

and the process will be administered in accordance with this Agreement and such other SPP governing documents as may be relevant to the proceeding. In the event the parties cannot mutually agree to the engagement of a firm, and do not determine some other mutually acceptable procedure, the President of SPP shall provide to each party to the dispute a list of candidates to be used in forming a three-person dispute resolution panel. The candidates shall be persons meeting the requirements for the SPP Board of Directors. The President shall then call a telephone conference meeting during which each party shall alternate striking names from the list until those remaining constitute the dispute resolution panel. This panel shall select a chair from its membership. Should any candidate decline to serve or resign from a current appointment for any reason, the candidate whose name was last struck from the list shall be contacted to serve. The President shall assign a Staff representative to assist the panel as secretary. The President shall manage the panel selection process to ensure its timely completion.

14.4 RESOLUTION PROCEDURES. The types of proceedings available for the resolution of disputes are:

- (a) an advisory proceeding to assist each party through discussion and advice, on a separate and individual basis without active participation in the joint discussions and negotiations, to resolve the dispute informally by mutual agreement;
- (b) a mediation proceeding to assist the parties through active participation in the joint discussions and negotiations (including specific recommendations of the issues in dispute) through which the parties indirectly attempt to resolve the dispute informally by mutual agreement;
- (c) a non-binding dispute resolution proceeding to hear formal evidence on factual matters related to the issues submitted, make written findings and conclusions of fact, and issue specific written recommendations for resolution of each issue in dispute;
- (d) a binding dispute resolution proceeding, provided the parties to the dispute agree to the proceeding, to hear formal evidence on factual matters related to the issues submitted, make written findings and conclusions of fact, and issue directives and awards for resolution of each issue in dispute.

The panel chair or representatives of the alternative dispute resolution firm (the "Facilitator") shall determine meeting arrangements and format necessary to efficiently expedite the resolution of the dispute, and the SPP staff secretary shall notify the parties of these details. Each party to the dispute must have at least one representative present at all related meetings with full authority to resolve the dispute. Upon conclusion of this process, the Facilitator shall notify the SPP President of its outcome. After consultation with the parties to the dispute and the Facilitator to determine the completion of the process as described herein, and/or as modified by the parties, the SPP President shall discharge the panel or firm, and notify the SPP Board of Directors of the results. The parties to the dispute

agree to complete the process within 90 days from selection of the panel or firm. The SPP staff secretary shall maintain minutes of the panel meetings, which shall become part of SPP's historical records.

- 14.5 **EXPENSES.** The parties to the dispute shall share equally all reasonable charges for the meeting location, administrative costs, and related travel expenses of panel members. The parties to the dispute shall also share equally all reasonable compensation for time and service of panel members and related incremental expenses of the SPP staff. The President shall determine reasonableness of time and service costs for panel members prior to process implementation. The SPP staff secretary shall account for these expenses. Each party to the dispute shall be responsible for their respective associated expenses.
- 14.6 **LIABILITY.** The parties to any dispute which is the subject of these dispute resolution procedures shall hold harmless SPP, its Members, Organizational Groups and each of their directors, officers, agents, employees or other representatives, and the panel members from any liabilities, claims, or damages resulting from any agreement or lack of agreement as a result of the dispute resolution proceedings. The foregoing hold harmless right shall not be extended to the parties to any given dispute or to their directors, officers, agents, employees, or other representatives.

15. NON-PERFORMANCE AND DEFAULT

- 15.1 **NON-PERFORMANCE.** Except as provided in Section 18.9, any failure to carry out any term of this Agreement shall be considered non-performance. A Party alleging non-performance shall provide written notice of such non-performance within seven calendar days to the alleged non-performing Party. The alleged non-performing Party then shall have seven calendar days (or some other time period agreed to by the Parties) to correct the non-performance or to dispute the non-performance pursuant to the provisions of Section 14. Each Party shall designate a person to receive notice and provide such designation to the other Parties.
- 15.2 **DEFAULT.** If a Party fails to correct the non-performance or fails to dispute the allegation of non-performance as provided in Section 14, or the Party is found to be a non-performing Party through the dispute resolution provisions in Section 14 and fails to take adequate corrective action, then the Party shall be considered to be in Default.
- 15.3 **REMEDY FOR DEFAULT.** One or more Parties, individually or collectively, may seek appropriate remedies in court, including, but not limited to, specific performance and equitable relief, in the event of a Default by another Party.

16. TERM, TERMINATION, EFFECTIVENESS, WITHDRAWAL

- 16.1 **EFFECTIVE DATE AND TERM.** This Agreement shall commence on the Effective Date of this Agreement as provided in Section 16.2. This Agreement shall remain in effect for two (2) years from the Effective Date and shall remain

in effect from year to year thereafter unless either: (a) SPP or (b) three-fourths of the SPP BA Participants then subject to this Agreement give one year advance notice in writing that they wish to terminate this Agreement. Termination of this Agreement is subject to approval by a regulatory agency with proper jurisdiction, including, but not limited to, FERC.

- 16.2 **DETERMINATION AND LIMIT OF EFFECTIVENESS.** The Agreement shall become effective on the date the Integrated Marketplace begins operations provided that the following events have occurred: (a) the ERO has certified, including on a conditional basis, that SPP can begin operations as the BA of the SPP BAA to comply with the ERO Balancing Authority Reliability Standards; (b) FERC accepts or approves the Agreement; and (c) any modifications ordered by FERC are accepted consistent with Sections 17.2 and 17.4 of this Agreement.
- 16.3 **FILING.** SPP has concluded that this Agreement must be filed with FERC under the Federal Power Act and its implementing regulations. Should FERC require any modification to this Agreement that adversely affects the rights or obligations of a Party, the Party may withdraw its participation in this Agreement consistent with the provisions of Section 16.5.
- 16.4 **TERMINATION BY SPP.** In the event SPP gives notice to terminate this Agreement, such termination shall not be effective until suitable arrangements for the provisions of its BA responsibilities are in place. Suitability of the arrangements will be determined by the BA Committee.
- 16.5 **WITHDRAWAL.** An SPP BA Participant may withdraw from this Agreement if: (a) the SPP BA Participant or entity of which SPP BA Participant is a part withdraws from SPP membership under the withdrawal provisions of the Membership Agreement; or (b) the SPP BA Participant or the entity of which SPP BA Participant is a part removes its transmission facilities from the SPP OATT subject to any applicable regulatory requirements; or (c) the SPP BA Participant unilaterally terminates its participation in the Agreement in its sole discretion. The SPP BA Participant shall provide at least one hundred eighty (180) days notice (or shorter time period if required by a regulatory authority with jurisdiction, or by law, or as agreed to by SPP) to SPP of such withdrawal, which withdrawal may not be effective any earlier than the date upon which the applicable conditions set forth in Section 16.5 are fully satisfied.
- 16.6 **CONTINUING OBLIGATIONS.** An SPP BA Participant and SPP shall be subject to the rights and responsibilities under this Agreement for any actions or inactions occurring prior to the effective date of the SPP BA Participants withdrawal or termination of this Agreement.
- 16.7 **SURVIVABILITY.** The provisions of this Agreement related to any indemnification obligation or any continuing obligation under Section 16 shall survive the termination of this Agreement under Section 16 or the withdrawal of a Party under Section 16 to the full extent necessary for their enforcement and the protection of the Party in whose favor they run with regard to actions or inactions

occurring prior to the effective date of the termination or withdrawal, except that in the case of withdrawal of an SPP BA Participant, no action or claim against that Participant related to this Agreement shall commence more than three years from the effective date of the withdrawal.

17. MODIFICATIONS AND AMENDMENTS

17.1 RESERVED.

17.2 OTHER MODIFICATIONS OR CONDITIONS. Except as provided in Section 17.4, the Parties intend that there will be no other modifications or conditions to this Agreement absent the agreement of the Parties. Notwithstanding anything to the contrary in this Agreement, in the event of any changes in ERO, Commission, Regional Entity, or Integrated Marketplace requirements, which materially affect this Agreement, the Parties will negotiate in good faith appropriate changes to this Agreement and will make written modifications hereto. If the Parties do not mutually agree to such changes in writing, then they will refer the issues to dispute resolution under Section 14.

17.3 MOBILE-SIERRA STANDARD. Absent a filing with the Commission to reflect the agreement of the Parties as detailed in Section 17.4, the standard of review for changes or conditions to this Agreement proposed by a Party shall be the “public interest” standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956) (the “*Mobile-Sierra*” doctrine). Notwithstanding the foregoing in this Section 17.3, if the Commission changes its policy (in existence at the time of execution) and imposes a standard different than the Mobile-Sierra presumption set forth in this provision, then the Parties shall modify this Agreement to reflect the new standard. Any changes to this Agreement shall be prospective only. The Commission’s action on the initial filing of this Agreement shall be under the just and reasonable standard.

17.4 VOTING FOR ACCEPTANCE OF MODIFICATIONS OR CONDITIONS. This Agreement may be modified or conditioned only by at least a two-thirds affirmative vote of the SPP BA Participants (each SPP BA Participant receiving one vote regardless of size) with the assent of SPP; provided, however, no such modification or condition may be imposed on a Party that does not agree to the modification or condition to the extent that the modification or condition will cause the Party to no longer be in compliance with ERO or Regional Entity requirements. SPP shall file with the Commission any modifications to this Agreement resulting from this Section 17.4, which filing will be subject to the just and reasonable standard of review. Once the Commission accepts such modifications, then such modifications shall be considered as being part of this Agreement and all applicable terms of the Agreement, including Section 17.3, shall apply to the modifications.

18. MISCELLANEOUS PROVISIONS

- 18.1 **ASSIGNMENT.** Each SPP BA Participant may assign its rights and obligations under this Agreement to another entity subject to receiving the approval of SPP; such approval shall not be unreasonably withheld.
- 18.2 **NO AGREEMENT TO JURISDICTION.** By entering into this Agreement, which shall be filed with the Commission and notwithstanding any provision in this Agreement, the SPP BA Participants are not in any way agreeing individually or collectively that their activities under this Agreement are subject to Commission jurisdiction. In addition, nothing in this Agreement shall be construed (a) to confer Commission jurisdiction over SPP BA Participants that are not public utilities as defined by the Federal Power Act, or (b) as a consent or waiver with respect to such jurisdiction, or (c) to cause a non-public utility to take any action or participate in any filing or appeal that would confer Commission jurisdiction over a non-public utility or require a non-public utility to comply with any Order or Rule issued by the Commission. A Party's actions, decisions, and performance under this Agreement, including without limitation the exercise of its rights to withdraw from or terminate this Agreement, shall not be subject to Commission approval.
- 18.3 **RESERVATION OF RIGHTS.** Nothing in this Agreement shall affect a Party's rights to argue issues that are not resolved pursuant to this Agreement in proceedings at the Commission and in the courts.
- 18.4 **OPERATING COMMITTEE.** As soon as practicable after the Effective Date, the SPP BA Participants shall form an Operating Committee. The function of the Operating Committee shall be: (a) to review performance under this Agreement, (b) to discuss issues that may arise related to such performance, (c) to review BA Operating Protocols, and, (d) if necessary or advisable, to propose amendments to this Agreement for the Parties' consideration and/or vote pursuant to Section 17.4. The Operating Committee shall be comprised of a member and an alternate for each SPP BA Participant, who has authority to bind the respective SPP BA Participant. The Operating Committee shall meet at least once each year on dates to be determined by SPP after consultation with the committee members. SPP shall facilitate such meetings and shall give reasonable written notice thereof to all Parties. At its first meeting, the Operating Committee shall, with the approval of at least two thirds of the Parties, establish procedures to govern its actions consistent with the terms of this Agreement.
- 18.5 **CONSOLIDATION OF PARTICIPANTS.** The Parties agree that any consolidations of SPP BA Participants shall be accommodated under this Agreement. This Agreement shall not be construed as inhibiting the consolidation of Participant Areas.
- 18.6 **ADDITIONAL BALANCING AUTHORITIES.** The Parties agree that any ERO certified BA or other entity that is not a signatory to this Agreement may become a signatory to this Agreement, subject to SPP approval, so long as the BA or other entity agrees to be bound by the provisions of this Agreement as an SPP BA Participant within the SPP BAA and ceases to be a BA.

18.7 GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of Arkansas, except to the extent preempted by Federal law applicable to a Federal Power Marketing Agency in a dispute involving such Party.

18.7.1 Compliance with Federal or State Law.

Notwithstanding any other provision of this Agreement, a non-jurisdictional SPP BA Participant shall not be required to take any action or do any other thing with respect to rates, charges, terms or conditions of service, the resolution of disputes under this Agreement or any other matter regarding its obligations and performance under this Agreement, that (i) the non-jurisdictional SPP BA Participant is not permitted by state law, or Federal law in the case of a Federal Power Marketing Agency, to undertake or that is prohibited in whole or in part by any Federal or state law or regulation applicable to the non-jurisdictional SPP BA Participant; or (ii) would require the non-jurisdictional SPP BA Participant to violate a provision of such state law, or Federal law in the case of a Federal Power Marketing Agency, or regulation in order to comply with this Agreement. Determination of compliance with and permissible action, conduct or obligations by a non-jurisdictional SPP BA Participant shall be within the sole jurisdiction of the non-jurisdictional SPP BA Participant's governing board, or in a dispute involving a Federal Power Marketing Agency, the Administrator of the Federal Power Marketing Agency, subject to applicable Federal or state court review. A non-jurisdictional SPP BA Participant shall not object to SPP's participation in any state proceedings that impact the non-jurisdictional SPP BA Participant's ability to perform under this Agreement or determinations regarding such impact. To the extent possible without violating state law, or Federal law in the case of a Federal Power Marketing Agency, a non-jurisdictional SPP BA Participant shall notify SPP in advance of any action that the non-jurisdictional SPP BA Participant is required to take that the non-jurisdictional SPP BA Participant believes would constitute a violation of state law, or Federal law in the case of a Federal Power Marketing Agency, and the non-jurisdictional SPP BA Participant and SPP promptly shall meet and confer regarding the matter. As necessary, the non-jurisdictional SPP BA Participant and SPP agree to negotiate in good faith to modify the Agreement as consistent as possible with the original intent to allow SPP to exercise operational authority over the non-jurisdictional SPP BA Participant's Tariff Facilities as otherwise provided in the Agreement. If the non-jurisdictional SPP BA Participant and SPP are unable to resolve the matter, the non-jurisdictional SPP BA Participant may terminate this Agreement pursuant to the withdrawal provisions of the Agreement.

18.7.2 Termination on Less Than Required Notice.

SPP BA Participant may terminate this Agreement with less than the required notice, in the event that the state law, or Federal law in the case of a Federal Power Marketing Agency, governing SPP BA Participant changes, or any provisions of this Agreement are changed or modified in a manner that causes a conflict with the SPP BA Participant's Federal or state law, regulations, or rate schedules, and the internal dispute resolution process described in Section 12 of the OATT is unable to resolve such conflict. In such event, SPP BA Participant and SPP shall meet and confer to facilitate the withdrawal as soon as practicable as necessary to ensure compliance with applicable Federal or state law.

18.7.3 Operational Authority.

A non-jurisdictional SPP BA Participant reserves the right to exercise operational authority over its tariff facilities (1) to protect public safety and the safety of its workers, to prevent damage to equipment, and to preserve reliability in compliance with NERC standards, and (2) as necessary to preserve a non-jurisdictional SPP BA Participant's rights, duties and obligations regarding electric service to its retail and wholesale native load customers pursuant to its state law, or Federal law in the case of a Federal Power Marketing Agency, and consistent with NERC standards, if SPP's exercise of operational authority over the tariff facilities would endanger said electric service or is contrary to or would curtail, surrender or delegate such state law rights, duties and obligations. A non-jurisdictional SPP BA Participant will, as soon as reasonably practicable thereafter, notify SPP of such actions taken by a non-jurisdictional SPP BA Participant. A non-jurisdictional SPP BA Participant and SPP will meet and confer regarding the matter and, as necessary, negotiate in good faith to modify the Agreement to address the matter.

18.8 COMPLETE AGREEMENT. This Agreement shall constitute the complete agreement of the Parties on the subject matters covered herein.

18.9 FORCE MAJEURE. No Party shall be considered to be in breach of this Agreement to the extent that a failure to perform its obligations, other than a payment obligation, is due to an "Uncontrollable Force." The term "Uncontrollable Force" means an event or circumstance which prevents one Party from performing its obligations, which event or circumstance is not within the reasonable control of, or the result of the negligence or intentional wrongdoing of, the claiming Party, and which by the exercise of due diligence, or Good Utility Practice, the claiming Party is unable to avoid, cause to be avoided, or overcome. Any Party rendered unable to fulfill any of its obligations by reason of an Uncontrollable Force shall give immediate notice of such fact to the other Parties and shall exercise due diligence to remove such inability within a reasonable time period. If a Party is unable to perform actions under this Agreement due to the actions of an independent third party (e.g. not a consultant or affiliate of the Party), that shall be considered an Uncontrollable Force. However, a Party whose

performance under this Agreement is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Agreement.

- 18.10 NO AGENCY RELATIONSHIP. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between or among the Parties, or any of the Parties, or to impose any partnership obligation or partnership liability upon any of the Parties. No Party shall have any right, power, or authority to enter into any agreement or undertaking for, or act on behalf of, or act as, or be, an agent or representative of, or otherwise bind, any other Party. Responsibilities undertaken or transferred to a Party shall be independently performed by that Party.
- 18.11 REPRESENTATIONS AND WARRANTIES. Each Party warrants that it possesses the necessary authority to enter into and agree to this Agreement.
- 18.12 EXECUTION BY COUNTERPARTS. This Agreement may be executed in any number of counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument as if all Parties had signed the same instrument.
- 18.13 NO THIRD PARTY BENEFICIARIES. Except as otherwise provided herein, this Agreement is not intended to, and does not create, any 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.
- 18.14 NO MARKET PARTICIPANT. The performance of functions described in this Agreement shall not cause a Party to become a Market Participant.
- 18.15 NOTICE. Each Party shall designate an individual to receive notice under this Agreement by providing the individual's name, address, phone number, and email address to the Operating Committee. The Operating Committee shall maintain the list of individuals to receive notice. It shall be the responsibility of each individual Party to update its notice information when necessary.
- 18.16. ACCESS TO BOOKS AND RECORDS.
 - 18.16.1 Upon request, SPP shall provide SPP BA Participant with access to the SPP BA's books, records, facilities, and procedures required of the BA under the ERO Reliability Standards which are reasonably necessary to determine SPP's compliance with this Agreement and/or to support the SPP BA Participant's compliance with applicable ERO Reliability Standards in the SPP BA Participant's registered roles as TO, TOP, GO, GOP, LSE, and/or PSE. Such access shall be upon reasonable notice, at reasonable times, and under reasonable conditions.

18.16.2 Upon request, each SPP BA Participant shall provide SPP with access to SPP BA Participant's books, records, facilities, and procedures as necessary to allow SPP to determine SPP BA Participant's adherence to this Agreement and/or to support SPP's compliance as a BA. Such access shall be upon reasonable notice, at reasonable times, and under reasonable conditions. Each Party shall be responsible for its own expenses related to any such request for information.

18.17 PARTICIPATION BY WESTERN-UGP SUBJECT TO FEDERAL LAWS AND REGULATIONS

18.17.1 Subject to Acts of Congress

The participation by the United States through Western-UGP in this Agreement is subject in all respects to acts of Congress and to regulations of the Secretary of Energy established thereunder, and to rate schedules promulgated by the Secretary of Energy. This reservation includes, but is not limited to, the statutory limitations upon the authority of the Secretary of Energy to submit disputes arising under this Agreement to arbitration. In the event of a conflict between this Section 18.17 and any other provision of this Agreement, this Section 18.17 shall have precedence with respect to the application of this Agreement to Western-UGP.

18.17.2 Contingent Upon Appropriations and Authorization

Where activities provided for in this Agreement extend beyond the current fiscal year, continued expenditures by the United States through Western-UGP are contingent upon Congress making the necessary appropriations required for the continued performance of the obligations of the Western-UGP under this Agreement. In case such appropriation is not made, the Parties hereby release the Western-UGP from its contractual obligations under this Agreement and from all liability due to the failure of Congress to make such appropriation.

18.17.3 Employment Practices; Contractor Agreement

For the purpose of this Federal participation provision, the term "Contract" shall mean this Agreement and the term "Contractor" shall mean a Party having transactions with Western-UGP. During the performance of this Contract, the Contractor agrees to the provisions set forth in Section 18.17 and its subdivisions. In addition, the Contractor will include the following provisions in every subcontract or purchase order involving Western-UGP unless exempted by rules, regulations, or order of the Secretary of Labor.

(i) Equal Opportunity Employment Practices

Section 202 of Executive Order No. 11246, 30 Fed. Reg. 12319 (1965), as amended by Executive Order No. 12086, 43 Fed. Reg. 46501 (1978), which provides, among other things, that the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, is incorporated in the Contract by reference to same as if the specific language had been written into the Contract, except that Indian Tribes and tribal organizations may apply Indian Preference to the extent permitted by federal law.

(ii) Contract Work Hours and Safety Standards

The Contract, to the extent that it is of a character specified in Section 103 of the Contract Work Hours and Safety Standards Act (“Act”), 40 U.S.C. § 3701, as amended or supplemented, is subject to the provisions of the Act, 40 U.S.C. § 3701-3708, as amended or supplemented, and to regulations promulgated by the Secretary of Labor pursuant to the Act.]

(iii) Use of Convict Labor

The Contractor agrees not to employ any person undergoing sentence of imprisonment in performing the Contract except as provided by 18 U.S.C. § 3622(c), as amended or supplemented, and Executive Order No. 11755, 39 Fed. Reg. 779 (1973), as amended or supplemented.

IN WITNESS WHEREOF, the signatories have caused this Agreement Between Southwest Power Pool, Inc. and SPP BA Participant Relating to Implementation of the Southwest Power Pool Balancing Authority to be executed by their duly authorized representatives as of the dates set forth under their respective signatures.

Company: _____

By: _____

Name: _____

Title: _____

Company: _____

Date: _____

APPENDIX A TO ATTACHMENT AN

List of SPP BA Participants

American Electric Power

Board of Public Utilities of Kansas City, Kansas

City of Independence, Missouri

City Utilities of Springfield

The Empire District Electric Company

Grand River Dam Authority

Kansas City Power & Light Company

KCP&L Greater Missouri Operations Company

Lincoln Electric System

Nebraska Public Power District

Oklahoma Gas and Electric Company

Omaha Public Power District

Southwestern Public Service Company

Sunflower Electric Power Corporation

Westar Energy, Inc.

Western Area Power Administration-Upper Great Plains Region (Upper Great Plains East
Balancing Authority Area-WAUE)

Western Farmers Electric Cooperative

ATTACHMENT AP
ALLOCATION OF COSTS ASSOCIATED WITH RELIABILITY PENALTY
ASSESSMENTS

Under the NERC Functional Model and NERC Rules of Procedure, the Transmission Provider may be assessed penalties for confirmed violations of the NERC Reliability Standards. The purpose of this Attachment is to provide notice to all Market Participants, Members, and Terminated Members (as defined in this Attachment AP) that they may potentially be responsible for penalty costs assessed against the Transmission Provider for confirmed violations of any NERC Reliability Standard. Market Participants, Members, and Terminated Members may be either directly assigned such penalty costs, if it is determined that they are responsible for or have directly contributed to the confirmed violations at issue, or may be assigned a portion of the costs, if the Transmission Provider is assessed a monetary penalty either due to its own confirmed violation or its status, as a Registered Entity under the NERC Functional Model and NERC Rules of Procedure.

This Attachment also provides for the recovery of costs associated with penalties assessed against the Transmission Provider for confirmed violations of NERC Reliability Standards resulting from a confirmed violation of NERC Reliability Standards by a Market Participant(s), Member(s), Terminated Member(s), the Transmission Provider, or another entity for whom Transmission Provider is assessed a penalty due to its status as a Registered Entity under the NERC Functional Model and NERC Rules of Procedure. Under this Attachment, the Transmission Provider may seek recovery of the costs associated with any monetary penalty by filing under section 205 of the Federal Power Act for direct recovery of penalty costs from one or more Market Participants, Members, or Terminated Members and/or for an allocation of penalty costs among all Market Participants, Members, and Terminated Members. Additionally, this Attachment provides for the participation of Market Participants, Members, and Terminated Members in the penalty assessment process with the Transmission Provider if the Market Participant, Member, or Terminated Member is alleged to have been directly involved in the event causing the potential penalty.

1. Definitions

All defined terms in this Attachment shall have the meaning given to them in the Tariff unless otherwise stated below.

Compliance Monitoring and Enforcement Program – The program used by NERC and the Regional Entities to monitor, assess, and enforce compliance with Reliability Standards within the United States. This is accomplished through compliance monitoring and audits, as well as the conduct of investigations and the assessment of monetary and non-monetary penalties for violations.

Electric Reliability Organization or ERO – An organization certified by the Commission to develop and enforce mandatory reliability standards and assess penalties against users, owners and operators of the bulk power system that violate such standards.

North American Electric Reliability Corporation (“NERC”) – The organization designated as ERO by the Commission on July 20, 2006.

NERC Compliance Registry – The registry maintained by NERC that records which Registered Entity is responsible for performing the set of functions required to ensure compliance with each NERC Reliability Standard.

NERC Functional Model – The Model defining the set of functions that must be performed to ensure the reliability of the electric bulk power system. The NERC Reliability Standards establish the requirements of the responsible entities that perform the functions defined in the Functional Model.

NERC Reliability Standards – Standards developed by NERC and approved by the Commission to ensure reliability of the bulk power system, violation of which may result in the imposition of mitigation programs or monetary penalties.

NERC Rules of Procedure – The rules and procedures developed by NERC and approved by the Commission. These rules include the process by which a responsible entity, who is to perform a set of functions to ensure the reliability of the electric bulk power system, must register as a Registered Entity.

Registered Entity – The entity registered under the NERC Functional Model and NERC Rules of Procedures for the purpose of compliance with NERC Reliability Standards and responsible for carrying out the tasks within a NERC function without regard to whether a task(s) is performed by another entity pursuant to the terms of its governing documents.

Regional Entity (RE)– NERC has designated the Transmission Provider as “Regional Entity” in the SPP region and has delegated ERO functions to Transmission Provider in the region.

Terminated Member – An entity that was a Member of SPP at the time that the conduct giving rise to a reliability penalty occurred, but that has since terminated its SPP Membership.

2. Direct Assignment of Costs Where Violation Can Be Directly Assigned

The purpose of this section of this Attachment is to provide notice to all Market Participants, Members, and Terminated Members that they may potentially be responsible for reliability penalty costs assessed in the event that the Market Participant’s, Member’s, or Terminated Member’s conduct or omission contributed to the violation(s) for which a monetary penalty was assessed to the Transmission Provider. This section provides for notification for the potential direct assignment of costs related to reliability violations that may be assessed to the Transmission Provider. The Transmission Provider shall notify, in writing, any potentially affected Member(s), Market Participant(s), or Terminated Members of an alleged violation as soon as possible after notifications by the RE or NERC of the commencement of procedures under the Compliance Monitoring and Enforcement Program. In addition, the Transmission Provider will invite the affected Member(s), Market Participant(s), or Terminated Member(s) to fully participate in all discussions and/or proceedings under the Compliance Monitoring and Enforcement Program.

If there is i) an assessment of a monetary penalty against the Transmission Provider as the Registered Entity for a confirmed violation of a NERC Reliability Standard(s) and ii) as a result of proceedings under the Compliance Monitoring and Enforcement Program, it is determined that one or more Market Participants, Members, Terminated Members, or Registered Entities are deemed to have directly contributed to or found to have been a “root cause(s)” of such confirmed violation(s), such Market Participant(s), Member(s), or Terminated Member(s) may be assessed a portion of or all of the monetary penalty; provided that all of the following conditions have been satisfied:

(1) During the course of an investigation by NERC, the RE or the Commission regarding the possibility of a Transmission Provider alleged violation of a NERC Reliability Standard, if the Transmission Provider believes that a Market Participant(s), Member(s), or Terminated Member(s) may have contributed to the violation under investigation, the Transmission Provider will provide a) reasonable prior written notice to the Market Participant(s), Member(s), or Terminated Member(s) that the Transmission Provider believes may have contributed to the violation and that it intends to seek to hold the Market Participant(s), Member(s), or Terminated Member(s) responsible for a portion of or all of the monetary penalties that result; and b) the Market Participant(s), Member(s), or Terminated Member(s) is provided the opportunity to fully participate in all discussions and/or proceedings under the Compliance Monitoring and Enforcement Program.

(2) In addition to the Transmission Provider providing sufficient notice to a Market Participant(s), Member(s), or Terminated Member(s) under Section 2(1) of this Attachment, it will also provide notice to NERC, the RE and the Commission of its allegations that the Market Participant(s), Member(s), or Terminated Member(s) may have contributed to the alleged violation and that the Transmission Provider intends to hold the Market Participant(s), Member(s), or Terminated Member(s) responsible for a portion of or all of the monetary penalties that result from the investigation which determines to what extent the Market Participant(s), Member(s), or Terminated

Member(s) contributed to or was a “root cause(s)” of the confirmed violation; (3) If, as a result of proceedings under the Compliance Monitoring and Enforcement Program, it is determined that the Market Participant(s), Member(s), or Terminated Member(s) cited by the Transmission Provider contributed to or was a “root cause(s)” of the alleged violation, the Transmission Provider will seek to hold the Market Participant(s), Member(s), or Terminated Member(s) responsible for a portion of or all of the monetary penalty assessed as a result of the confirmed violation by making a filing with the Commission under section 205 of the Federal Power Act to assign a portion of or all of the costs of the monetary penalty directly to the Market Participant(s), Member(s), or Terminated Member(s);

(4) If the Commission accepts the filing, the Market Participant(s), Member(s), or Terminated Member(s) shall be responsible for its portion of the monetary penalty as determined by the Commission’s order on the section 205 filing.

3. Spreading of Costs Where Violation Cannot Be Directly Assigned

The purpose of this section of this Attachment is to provide notice to all Market Participants, Members, and Terminated Members that they may potentially be responsible for reliability penalty costs assessed to the Transmission Provider that cannot be directly assigned under Section 2 of this Attachment. This section provides for a spreading of a portion of or all of such reliability penalty costs among all Market Participants, Members, and Terminated Members where the Transmission Provider itself is responsible for a confirmed violation of a Reliability Standard or where the Transmission Provider is assessed a penalty because of its status as a Registered Entity for a given Reliability Standard and the entity responsible for the violation cannot be assessed a penalty because of its status. The Transmission Provider shall notify, in writing, any potentially affected Market Participant(s), Member(s), or Terminated Member(s) of an alleged or confirmed violation as soon as possible after notifications by the RE or NERC of the commencement of procedures under the Compliance Monitoring and Enforcement Program. In addition, the Transmission Provider will i) invite the affected Member(s), Market Participant(s), or Terminated Member(s) to fully participate in all discussions and/or proceedings

under the Compliance Monitoring and Enforcement Program and ii) timely report status and results of the findings and remedies to the Market Participants, Members, and Terminated Members.

If there is an assessment of a monetary penalty against the Transmission Provider as the Registered Entity for a confirmed violation of a NERC Reliability Standard(s), either: (1) as a result of the Transmission Provider's own conduct or omission that resulted in a confirmed violation; or (2) as a result of a violation by another entity for whom the Transmission Provider is the Registered Entity where the entity is not on the NERC Compliance Registry and therefore cannot be directly assessed a penalty because of its status; Market Participants, Members, and Terminated Members may be assessed a portion of the monetary penalty providing the following conditions have been satisfied:

- (1) The Transmission Provider has made a filing under section 205 of the Federal Power Act proposing a methodology to allocate a portion of or all of the costs of the monetary penalty among the Market Participants, Members, and Terminated Members;
- (2) If the Commission accepts the filing and finalizes such penalty allocations to the Market Participants, Members, and Terminated Members.

4. Penalties allocated or attributable to Western-UGP

Notwithstanding anything in this Attachment to the contrary, Western-UGP has not waived or conceded any defense it may have, including sovereign immunity, intergovernmental immunity, or lack of subject matter jurisdiction in any action against it by an Enforcement Authority, nor has Western accepted any liability, responsibility, or obligation to pay any civil monetary penalties or fines imposed by an Enforcement Authority to which it would not have been subject in the absence of this Agreement. "Enforcement Authority" in this Agreement means the Commission, ERO, or RE with enforcement authority pursuant to a delegation from an ERO or FERC for the purpose of proposing and enforcing reliability standards. The Transmission Provider does not concede or accept responsibility for any portion of a penalty or

fine attributable to the actions or omissions of Western-UGP. The Transmission Provider will identify the amount of any penalty or fine that the Transmission Provider allocates to Western-UGP or that the Transmission Provider determines is attributable to Western-UGP and will identify that amount to FERC as uncollectable and not otherwise owed by the Transmission Provider.

FERC rendition of the electronically filed tariff records in Docket No. ER14-02850-000

Filing Data:

CID: C000771

Filing Title: Integrated System Open Access Transmission Tariff Revisions

Company Filing Identifier: 864

Type of Filing Code: 10

Associated Filing Identifier:

Tariff Title: Open Access Transmission Tariff, Sixth Revised Volume No. 1

Tariff ID: 5

Payment Confirmation:

Suspension Motion:

Tariff Record Data:

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Table of Contents, Table of Contents, 5.0.0, A

Record Narrative Name: Table of Contents

Tariff Record ID: 1

Tariff Record Collation Value: 1000000 Tariff Record Parent Identifier: 0

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

Southwest Power Pool, Inc.
Open Access Transmission Tariff
Sixth Revised Volume No. 1
Superseding

Fifth Revised Volume No. 1I. COMMON SERVICE PROVISIONS

- 1 Definitions
 - A - Definitions
 - B - Definitions
 - C - Definitions
 - D - Definitions
 - E - Definitions
 - F - Definitions
 - G - Definitions
 - H - Definitions
 - I - Definitions
 - J - Definitions
 - K - Definitions
 - L - Definitions
 - M - Definitions
 - N - Definitions
 - O - Definitions
 - P - Definitions
 - Q - Definitions
 - R - Definitions
 - S - Definitions
 - T - Definitions
 - U - Definitions

	V - Definitions
	W - Definitions
	XYZ - Definitions
2	Initial Allocation and Renewal Procedures
	2.1 Initial Allocation of Available Transfer Capability
	2.2 Reservation Priority For Existing Firm Service Customers
3	Ancillary Services
4	Open Access Same-Time Information System (OASIS)
5	Local Furnishing Bonds
	5.1 Transmission Owners That Own Facilities Financed by Local Furnishing Bonds or that are Tax Exempt Entities
	5.2 Alternative Procedures for Requesting Transmission Service
6	Reciprocity
7	Billing and Payment
	7.1 Billing Procedure
	7.2 Interest on Unpaid Balances
	7.3 Financial Security Held By SPP
	7.4 Customer Default
8	Accounting for Use of the Tariff
	8.1 Study Costs and Revenues
9	Regulatory Filings
10	Force Majeure and Indemnification
	10.1 Force Majeure
	10.2 Liability
	10.3 Indemnification
	10.4 Further Limitation of Liability
	10.5 Transmission Provider Recovery
11	Creditworthiness
12	Dispute Resolution Procedures
	12.1 Internal Dispute Resolution Procedures
	12.2 External Arbitration Procedures
	12.3 Arbitration Decisions
	12.4 Costs
	12.5 Rights Under The Federal Power Act
II.	POINT-TO-POINT TRANSMISSION SERVICE
13	Nature of Firm Point-To-Point Transmission Service
	13.1 Term
	13.2 Reservation Priority
	13.3 Use of Firm Transmission Service by the Transmission Owners
	13.4 Service Agreements
	13.5 Transmission Customer Obligations for Facility Additions or Redispatch Costs
	13.6 Curtailment of Firm Transmission Service
	13.7 Classification of Firm Transmission Service
	13.8 Scheduling of Firm Point-To-Point Transmission Service
14	Nature of Non-Firm Point-To-Point Transmission Service

- 14.1 Term
- 14.2 Reservation Priority
- 14.3 Use of Non-Firm Point-To-Point Transmission Service by the Transmission Owner(s)
- 14.4 Service Agreements
- 14.5 Classification of Non-Firm Point-To-Point Transmission Service
- 14.6 Scheduling of Non-Firm Point-To-Point Transmission Service
- 14.7 Curtailment or Interruption of Service
- 15 Service Availability
 - 15.1 General Conditions
 - 15.2 Determination of Available Transfer Capability
 - 15.3 Initiating Service in the Absence of an Executed Service Agreement
 - 15.4 Obligation to Provide Transmission Service that Requires Expansion or Modification of the Transmission System
 - 15.5 Deferral of Service
 - 15.6 Other Transmission Service Schedules
 - 15.7 Real Power Losses
- 16 Transmission Customer Responsibilities
 - 16.1 Conditions Required of Transmission Customers
 - 16.2 Transmission Customer Responsibility for Third-Party Arrangements
- 17 Procedures for Arranging Firm Point-To-Point Transmission Service
 - 17.1 Application
 - 17.1a Time Requirements
 - 17.2 Completed Application
 - 17.3 Credit Arrangements
 - 17.4 Notice of Deficient Application
 - 17.5 Response to a Completed Application
 - 17.6 Execution of Service Agreement
 - 17.7 Extensions for Commencement of Service
 - 17.8 Designated Resources Using Long-Term Point-To-Point Transmission Service
 - 17.9 Interconnection of Delivery Points
- 18 Procedures for Arranging Non-Firm Point-To-Point Transmission Service
 - 18.1 Application
 - 18.2 Completed Application
 - 18.3 Timing of Requests and Responses Regarding Reservation of Non-Firm Point-To-Point Transmission Service
 - 18.4 Determination of Available Transfer Capability
- 19 Additional Study Procedures For Firm Point-To-Point Transmission Service Requests
 - 19.1 Notice of Need for System Impact Study
 - 19.2 System Impact Study Agreement and Cost Reimbursement
 - 19.3 System Impact Study Procedures
 - 19.4 Facilities Study Procedures
 - 19.5 Facilities Study Modifications
 - 19.6 Due Diligence in Completing New Facilities

- 19.7 Partial Interim Service
- 19.8 Expedited Procedures for New Facilities
- 19.9 Reporting Failure to Meet Study Deadlines
- 20 Procedures if The Transmission Provider is Unable to Complete New Transmission Facilities for Firm Point-To-Point Transmission Service
 - 20.1 Delays in Construction of New Facilities
 - 20.2 Alternatives to the Original Facility Additions
 - 20.3 Refund Obligation for Unfinished Facility Additions
- 21 Provisions Relating to Transmission Construction and Services on the Systems of Other Utilities
 - 21.1 Responsibility for Third-Party System Additions
 - 21.2 Coordination of Third-Party System Additions
- 22 Changes in Service Specifications
 - 22.1 Modifications On a Non-Firm Basis
 - 22.2 Additional Charge To Prevent Abuse
 - 22.3 Modification On a Firm Basis
- 23 Sale or Assignment of Transmission Service
 - 23.1 Procedures for Assignment or Transfer of Service
 - 23.2 Limitations on Assignment or Transfer of Service
 - 23.3 Information on Assignment or Transfer of Service
- 24 Metering and Power Factor Correction at Receipt and Delivery Points(s)
 - 24.1 Transmission Customer Obligations
 - 24.2 Transmission Provider Access to Metering Data
 - 24.3 Power Factor
- 25 Compensation for Transmission Service
- 26 Stranded Cost Recovery
- 27 Compensation for New Facilities and Redispatch Costs
- III. NETWORK INTEGRATION TRANSMISSION SERVICE
- 28 Nature of Network Integration Transmission Service
 - 28.1 Scope of Service
 - 28.2 Transmission Provider and Transmission Owners Responsibilities
 - 28.3 Network Integration Transmission Service
 - 28.4 Secondary Service
 - 28.5 Real Power Losses
 - 28.6 Restrictions on Use of Service
- 29 Initiating Service
 - 29.1 Condition Precedent for Receiving Service
 - 29.2 Application Procedures
 - 29.3 Technical Arrangements to be Completed Prior to Commencement of Service
 - 29.4 Network Customer Facilities
 - 29.5 Filing of Service Agreement
- 30 Network Resources
 - 30.1 Designation of Network Resources
 - 30.2 Designation of New Network Resources
 - 30.3 Termination of Network Resources

- 30.4 Operation of Network Resources
- 30.5 Network Customer Redispatch Obligation
- 30.6 Transmission Arrangements for Network Resources Not Physically Interconnected With The Transmission Provider
- 30.7 Limitation on Designation of Network Resources
- 30.8 Use of Interface Capacity by the Network Customer
- 30.9 Network Customer Owned Transmission Facilities
- 31 Designation of Network Load
 - 31.1 Network Load
 - 31.2 New Network Loads Connected With the Transmission Provider
 - 31.3 Network Load Not Physically Interconnected with the Transmission Provider
 - 31.4 New Interconnection Points
 - 31.5 Changes in Service Requests
 - 31.6 Annual Load and Resource Information Updates
- 32 Additional Study Procedures For Network Integration Transmission Service Requests
 - 32.1 Notice of Need for System Impact Study
 - 32.2 System Impact Study Agreement and Cost Reimbursement
 - 32.3 System Impact Study Procedures
 - 32.4 Facilities Study Procedures
 - 32.5 Penalties for Failure to Meet Study Deadlines
 - 32.6 Facilities Study Modifications
 - 32.7 Due Diligence in Completing New Facilities
 - 32.8 Partial Interim Service
 - 32.9 Expedited Procedures for New Facilities
 - 32.10 Delays in Construction of New Facilities
 - 32.11 Alternatives to the Original Facility Additions
- 33 Load Shedding and Curtailments
 - 33.1 Procedures
 - 33.2 Transmission Constraints
 - 33.3 Cost Responsibility for Relieving Transmission Constraints
 - 33.4 Curtailments of Scheduled Deliveries
 - 33.5 Allocation of Curtailments
 - 33.6 Load Shedding
 - 33.7 System Reliability
- 34 Rates and Charges
 - 34.1 Monthly Demand Charge for all Zones except Zone 1
 - 34.2 Monthly Demand Charge – Zone 1
 - 34.3 Monthly Demand Charge – Zone 11
 - 34.4 Determination of Network Customer's Monthly Network Load
 - 34.5 Determination of Transmission Provider's Monthly Zone Transmission Load
 - 34.6 Redispatch Charge
 - 34.7 Stranded Cost Recovery
 - 34.8 SPP Costs

- 35 Operating Arrangements
 - 35.1 Operation under the Network Operating Agreement
 - 35.2 Network Operating Agreement
- 36 Scheduling
- IV. SPECIAL RULES ON USE OF TARIFF
 - 37 During Transition Period
 - 37.1 Service Not Required for Bundled Customers or Customers Under Retail Access Programs
 - 37.2 Availability of Network Integration Transmission Service
 - 37.3 Unbundled Wholesale
 - 37.4 Grandfathered Transactions
 - 38 After Transition Period
 - 38.1 Applicability to Retail Load Having Choice
 - 38.2 Applicability to All Retail Load Not Having Choice
 - 38.3 Grandfathered Agreements
 - 39 Applicability of Non-Rate Terms and Conditions
 - 39.1 Subject to State Laws and Regulations and Public Power Rate Schedules
 - 39.2 Bundled Retail and Grandfathered Load
 - 39.3 Participation by Western-UGP Subject to Federal Laws and Regulations
 - 39.4 Applicability to Rural Electric Cooperatives
- V. RECOVERY OF COSTS FOR BASE PLAN UPGRADES AND APPROVED BALANCED PORTFOLIOS
 - 40 Base Plan Zonal Charge and Region-wide Charge
 - 41 Applicability to Resident Load
 - 42 Applicability to Point-To-Point Transmission Service
- SCHEDULE 1
 - Scheduling, System Control and Dispatch Service
- SCHEDULE 1-A
 - Tariff Administration Service
- SCHEDULE 2
 - Reactive Supply and Voltage Control from Generation or Other Sources Service
- SCHEDULE 3
 - Regulation and Frequency Response Service
- SCHEDULE 4
 - Energy Imbalance Service
- SCHEDULE 5
 - Operating Reserve - Spinning Reserve Service
- SCHEDULE 6
 - Operating Reserve - Supplemental Reserve Service
- SCHEDULE 7
 - Long-Term Firm and Short-Term Firm Point-To-Point Transmission Service
- SCHEDULE 8
 - Non-Firm Point-To-Point Transmission Service
- SCHEDULE 9
 - Network Integration Transmission Service
- SCHEDULE 10

Wholesale Distribution Service	
SCHEDULE 11	
Base Plan Zonal Charge and Region-wide Charge	
SCHEDULE 12	
FERC Assessment Charge	
ATTACHMENT A	
Form Of Service Agreement For Firm Point-To-Point Transmission Service	
ATTACHMENT A-1	
Form Of Service Agreement For The Resale, Reassignment Or Transfer Of Point-To-Point Transmission Service	
ATTACHMENT B	
Form Of Service Agreement For Non-Firm Point-To-Point Transmission Service	
ATTACHMENT C	
Methodology To Assess Available Transfer Capability	
ATTACHMENT D	
Methodology for Completing a System Impact Study	
ATTACHMENT E	
Index Of Point-To-Point Transmission Service Customers	
ATTACHMENT F	
Service Agreement For Network Integration Transmission Service	
ATTACHMENT G	
Network Operating Agreement	
ATTACHMENT H	
Annual Transmission Revenue Requirement for Network Integration Transmission Service	
ATTACHMENT I	
Index Of Network Integration Transmission Service Customers	
ATTACHMENT J	
Recovery Of Costs Associated With New Facilities	
ATTACHMENT K	
Redispatch Procedures and Redispatch Costs	
ATTACHMENT L	
Treatment Of Revenues	
ATTACHMENT M	
Loss Compensation Procedure	
ATTACHMENT N	
[Reserved for Future Use]	
ATTACHMENT O	
Transmission Planning Process	
ATTACHMENT P	
Transmission Service Timing Requirements	
ATTACHMENT Q	
Form of Application For Short-Term Firm and Non-Firm Transmission Service	
ATTACHMENT R	
North American Electric Reliability Council Transmission Loading Relief (“TLR”) Procedure	

ATTACHMENT R-1

North American Energy Standards Board Business Practices

ATTACHMENT S

Procedure for Calculation of MW-Mile Impacts for Use in Revenue Requirements,
Revenue Allocation and Determination of Losses

ATTACHMENT T

Rate Sheets For Point-To-Point Transmission Service

ATTACHMENT U

Rate Schedule For Compensation For Rescheduled Maintenance Costs

ATTACHMENT V

Coordinated Generation Interconnection Procedures

ATTACHMENT W

Index of Grandfathered Agreements

ATTACHMENT X

Credit Policy

ATTACHMENT Y

Transmission Owner Designation Process

ATTACHMENT Z1

Aggregate Transmission Service Study Procedures and Cost Allocation and Recovery for
Service Upgrades

ATTACHMENT Z2

Revenue Crediting for Upgrades

ATTACHMENT AA

Reserved for Future Use

ATTACHMENT AB

Reserved For Future Use

ATTACHMENT AC

Reservation Processing Method For Short Term Firm Transmission Service

ATTACHMENT AD

Southwestern Power Administration Agreement Between United States Of America and
Southwest Power Pool, Inc.

ATTACHMENT AE

Integrated Marketplace

ATTACHMENT AF

Market Power Mitigation Plan

ATTACHMENT AG

Market Monitoring Plan

ATTACHMENT AH

Market Participant Service Agreement

ATTACHMENT AI

Transmission Definition

ATTACHMENT AJ

Reserved for Future Use

ATTACHMENT AK

Treatment of Reserve Sharing Charges and Revenues

ATTACHMENT AL

Form of Non-Disclosure Agreement for Authorized Requestors
ATTACHMENT AM
Meter Agent Services Agreement
ATTACHMENT AN
Balancing Authorities Agreement
ATTACHMENT AO
Agreement Establishing External Generation Non-Physical Electrical Interconnection Point
ATTACHMENT AP
Allocation of Cost Associated with Reliability Penalty Assessments
ATTACHMENT AQ
Delivery Point Addition Process
ATTACHMENT AR
Screening Study
Record Content Description, Tariff Record Title, Record Version Number, Option Code:
Definitions B, 1 Definitions B, 3.0.0, A
Record Narrative Name: Section 1 Definitions B
Tariff Record ID: 5
Tariff Record Collation Value: 5119584 Tariff Record Parent Identifier: 3
Proposed Date: 2015-10-01
Priority Order: 500
Record Change Type: CHANGE
Record Content Type: 1
Associated Filing Identifier:

B - Definitions

Balanced Portfolio: A set of transmission upgrades that provides economic benefits across the SPP Region that meet the requirements in Sections IV.3 and IV.4 of Attachment O.

Balanced Portfolio Region-wide Annual Transmission Revenue Requirement: The annual transmission revenue requirement for an approved Balanced Portfolio determined in accordance with Attachment J to this Tariff.

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

- (1) Match, at all times, the power output of the generators within the electric power system(s) and capacity and energy purchased from entities outside the electric power system(s), with the load within the electric power system(s);
- (2) Maintain scheduled interchange with other Balancing Authority Areas, within the

limits of Good Utility Practice;

- (3) Maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and
- (4) Provide for sufficient generating capacity to maintain operating reserves in accordance with Good Utility Practice.

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.

Base Plan Region-wide Annual Transmission Revenue Requirement: The sum of the annual transmission revenue requirement for each Base Plan Upgrade and of the Accredited Revenue Requirement(s), if any, that are allocated to the SPP Region in accordance with Attachment J to this Tariff.

Base Plan Upgrades: Those upgrades included in and constructed pursuant to the SPP Transmission Expansion Plan in order to ensure the reliability of the Transmission System. Base Plan Upgrades shall also include: (i) those Service Upgrades required for new or changed Designated Resources to the extent allowed for in Attachment J to this Tariff, (ii) ITP Upgrades that are approved for construction by the SPP Board of Directors, and (iii) high priority upgrades, excluding Balanced Portfolios, that are approved for construction by the SPP Board of Directors. For Zones 1 through 15, all such upgrades shall specifically exclude planned Transmission System facilities identified in the SPP Transmission Expansion Plan that are: (i) placed in service during the 2005 calendar year or (ii) required to be in service to meet the SPP Criteria and the NERC Reliability Standards for the summer of 2005. For Zones 16, 17, and 18, all such upgrades shall specifically exclude planned Transmission System facilities in those zones identified in the SPP Transmission Expansion Plan Report (2009 – 2018) that are required to be in service to meet the SPP Criteria and the NERC Reliability Standards for the summer of 2008 or which are in operation prior to January 1, 2009, except for those upgrades that are in service prior to January 1, 2009 and are components of Phase 1 of the

NPPD 345kV Norfolk to Lincoln (ETR) project or OPPD Sub 1255/3455 Transformer project. Network Upgrades that are components of Phase 1 of the NPPD 345kV Norfolk to Lincoln (ETR) project or OPPD Sub 1255/3455 Transformer project that are in service prior to January 1, 2009 will be Base Plan Upgrades, however, the Zonal component of the costs shall be 100% allocated to the respective host zone. The Base Plan Upgrades in Zones 1 through 18 identified by the Transmission Provider with a need date prior to October 1, 2015 shall not be allocable to Zone 19. The upgrades in Zone 19 identified by the Transmission Provider with a need date prior to October 1, 2015, shall not constitute Base Plan Upgrades. The facilities identified in Schedule 2 to Attachment J are expressly deemed to be Base Plan Upgrades pursuant to Attachment J, Section III.A.2.

Base Plan Zonal Annual Transmission Revenue Requirement: For each Zone, the sum of the annual transmission revenue requirement for each Base Plan Upgrade and of the Accredited Revenue Requirement(s), if any, that are allocated to the Zone in accordance with Attachments J and S to this Tariff.

Base Plan Zonal Charge: Zonal component of the charge assessed by the Transmission Provider in accordance with Schedule 11 to recover the revenue requirement of facilities classified as Base Plan Upgrades.

Base Plan Zonal Load Ratio Share: Ratio of a Network Customer's or Transmission Owner's Resident Load in a Zone to the total load in that Zone computed in accordance with Section II.A. to Schedule 11 of this Tariff and calculated on a calendar year basis, for the prior calendar year. *Customer loads used to determine the Base Plan Zonal Load Ratio Share shall be adjusted for real power losses in accordance with the provisions set out in Section 28.5 of this Tariff.*

Base Plan Zonal Rate: Zonal component of the rate (per kW of Reserved Capacity for Point-To-Point Transmission Service) assessed by the Transmission Provider in accordance with Schedule 11 to recover the revenue requirement of facilities classified as

Base Plan Upgrades.

Business Day: A day on which the Federal Reserve System is open for business.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Definitions E, 1 Definitions E, 2.0.0, A

Record Narrative Name: Section 1 Definitions E

Tariff Record ID: 8

Tariff Record Collation Value: 8209272 Tariff Record Parent Identifier: 3

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

E - Definitions

Eastern Interconnection: A major alternating-current electrical grid in North America. The Eastern Interconnection reaches from Central Canada eastward to the Atlantic coast (excluding Quebec), south to Florida, and back west to the foot of the Rockies (excluding most of Texas).

Effective Date: For Short-Term Firm and Non-Firm Point-To-Point Transmission Service the Effective Date of this Tariff is June 1, 1998. For Long-Term Firm Point-To-Point Transmission Service the Effective Date of this Tariff is April 1, 1999. For Network Integration Transmission Service the Effective Date of this Tariff is February 1, 2000.

Eligible Customer: (i) Any electric utility (including the Transmission Owner(s) and any power marketer), Federal Power Marketing Agency, or any person generating electric energy for sale for resale. Electric energy sold or produced by such entity may be electric energy produced in the United States, Canada or Mexico. However, with respect to transmission service that the Commission is prohibited from ordering by Section 212(h) of the Federal Power Act, such entity is eligible only if the service is provided pursuant to a state requirement that a Transmission Owner offer the unbundled transmission service, or pursuant to a voluntary offer of such service by a Transmission Owner. (ii) Any retail customer or eligible person taking unbundled transmission service pursuant to a state requirement that a Transmission Owner offer the transmission service, or pursuant to a voluntary offer of such service by a Transmission Owner, is an

Eligible Customer under the Tariff.

Emergency Condition: A condition or situation determined by the Transmission Provider that is imminently likely to cause a material adverse effect on the security of, or damage to the Transmission System.

Energy and Operating Reserve Markets: The Day-Ahead Market and Real-Time Balancing Market, including the Reliability Unit Commitment processes.

External Resource: A Resource, other than a Designated Resource, located outside of the SPP Balancing Authority that is included in the SPP Balancing Authority through an External Resource Pseudo-Tie.

External Resource Pseudo-Tie: A non-physical electrical interconnection point between Balancing Authorities, whereby all or a portion of an External Resource is electronically moved from a Balancing Authority external to the SPP Balancing Authority. Energy delivered from an External Resource to the SPP Balancing Authority is treated as a Balancing Authority interchange from the source Balancing Authority to the SPP Balancing Authority.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Definitions F, 1 Definitions F, 1.0.0, A

Record Narrative Name: Section 1 Definitions F

Tariff Record ID: 9

Tariff Record Collation Value: 9239168 Tariff Record Parent Identifier: 3

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

F - Definitions

Facilities Study: An engineering study conducted by the Transmission Provider in collaboration with the affected Transmission Owner(s) to determine the required modifications to the Transmission System, including the cost and scheduled completion

date for such modifications, that will be required to provide the requested transmission service or Generation Interconnection Service. The Transmission Provider shall have the ultimate responsibility for any such studies. However, the Transmission Provider's final decision must be consistent with Good Utility Practice. Facilities studies for any facilities not under the operational control of the Transmission Provider shall be performed by the Transmission Owner or any entity it designates to perform the studies.

Feasibility Study: A coordinated preliminary determination by the Transmission Provider and the affected Transmission Owner(s) of the Attachment Facilities, other Direct Assignment Facilities, and system upgrades that are needed to accept power into the grid at the interconnection receipt point, that will be necessary to accommodate a Generation Interconnection Request made under Attachment V.

Federal Power-Southwestern: All power and energy generated at reservoir projects under the control of the Department of the Army in the marketing area of the Southwestern Power Administration (Southwestern) plus power and energy delivered to Southwestern from other sources for the purpose of fulfilling Southwestern's contractual obligations for the sale of power and energy pursuant to Southwestern's Federal power allocations.

Federal Power-Western-UGP: All power and energy generated at reservoir projects under the control of the Department of the Army or the Bureau of Reclamation in the marketing area of the Western-UGP for the purpose of fulfilling Western-UGP's Statutory Load Obligations for the sale of power and energy. This shall also include any power and energy delivered to or from Western-UGP under the grandfathered bi-directional agreement with Southwestern Power Administration through Associated Electric Cooperative, Inc. ("AECI") for delivery and receipt at AECI's Maryville Substation. Western-UGP's deliveries to Southwestern shall be considered part of Western-UGP's Statutory Load Obligations, and receipts from Southwestern to Western-UGP will be considered as coming from Federal resources. Federal Power-Western-UGP resources shall be eligible to be considered as Designated

Resources.

Federal Power Marketing Agency: This term shall include the term “Federal Power Marketing Administration” and have the same definition that is set forth in the Federal Power Act at 16 U.S.C. § 796(19), which defines “Federal power marketing agency” as “any agency or instrumentality of the United States (other than the Tennessee Valley Authority) which sells electric energy[.]”

Federal Service Exemption: Western-UGP’s exemption from certain charges described in Section 39.3(e) of this Tariff.

Firm Point-To-Point Transmission Service: Transmission Service under this Tariff that is reserved and/or scheduled between specified Points of Receipt and Delivery pursuant to Part II of this Tariff.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Definitions G, 1 Definitions G, 2.0.0, A

Record Narrative Name: Section 1 Definitions G

Tariff Record ID: 10

Tariff Record Collation Value: 10269064 Tariff Record Parent Identifier: 3

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

G - Definitions

Generation Interconnection Customer: An entity that submits a Generation Interconnection Request under Attachment V.

Generation Interconnection Request: A request made under Attachment V to connect a generating unit to the Transmission System or to increase the capacity of a generating unit that is connected to the Transmission System.

Good Utility Practice: Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility 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, including those practices required by Federal Power Act section 215(a)(4).

Grandfathered Agreements or Transactions: Grandfathered Agreements or Transactions include (1) agreements providing long term firm transmission service executed prior to April 1, 1999 and Network Integration Transmission Service executed prior to February 1, 2000; (2) bundled wholesale contracts (that reserve transmission as part of the contract); (3) short-term firm and non-firm point-to-point transmission transactions which were accepted and confirmed prior to the Effective Date; (4) existing or new contracts entered into by the Southwestern Power Administration on behalf of the United States for the use of transmission facilities of the Southwestern Power Administration that are constructed or acquired by purchase or other agreement, as authorized under Section 5 of the Flood Control Act of 1944, for the transmission of Federal Power-Southwestern; (5) contracts executed before the Effective Date, regardless of term, entered into by the Southwestern Power Administration on behalf of the United States for the transmission of power or energy across transmission facilities owned and operated by the Southwestern Power Administration; (6) contracts entered into by a Nebraska or South Dakota public-power entity prior to the transfer of functional control of its transmission facilities to the Transmission Provider; (7) existing contracts entered into by a Member which is a Nebraska or South Dakota public-power entity with any retail or wholesale electric utility customer that has a right under state law to obtain electric transmission service or energy service from such Member; (8) new contracts entered into by a Member which is a Nebraska or South Dakota public-power entity with any retail or wholesale electric utility customer that has a right under state law to obtain electric transmission service or energy service from such Member to the extent that provision of service under the Tariff would not satisfy such Member's obligation under

state law; (9) agreements entered into by Southwestern Public Service Company (SPS) and Public Service Company of Colorado (PSCo) for transmission service across the Lamar HVDC Tie Line to integrate generation resources and loads pursuant to the Xcel Energy Operating Companies Joint Operating Agreement and other service under the Xcel Energy Operating Companies Open Access Transmission Tariff pursuant to FERC orders on the merger of the Xcel Energy Operating Companies, Public Service Company of Colorado, et al., 75 FERC ¶ 61,325 (1996), Order Conditionally Approving Settlement and Conditionally Authorizing Merger, 78 FERC ¶ 61,267 (1997); Cheyenne Light, Fuel and Power Co., et al., 78 FERC ¶ 61,268 (1997); and Northern States Power Company, et. al., 90 FERC ¶ 61,020 (2000), and the FERC approved Offers of Settlement in Docket Nos. ER04-1174-000 et al. and ER08-313-000 et al.; and (10) contracts executed by Western-UGP prior to the transfer of functional control of Western-UGP transmission facilities to the Transmission Provider, regardless of term, for the transmission of power or energy. These agreements are set forth on the list which is Attachment W to this Tariff. Umbrella service agreements are specifically not Grandfathered.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Definitions R, 1 Definitions R, 5.0.0, A

Record Narrative Name: Section 1 Definitions R

Tariff Record ID: 21

Tariff Record Collation Value: 17478336 Tariff Record Parent Identifier: 3

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

R - Definitions

Real-Time Balancing Market (“RTBM”): The market operated by the Transmission Provider continuously in real-time to balance the system through deployment of Energy and to clear Regulation-Up, Regulation-Down, Spinning Reserve and Supplemental Reserve.

Receiving Party: The entity receiving the capacity and energy transmitted by the Transmission Provider to Point(s) of Delivery.

Region-wide Annual Transmission Revenue Requirement: The sum of the *annual transmission revenue requirements* as set forth in Attachment H, Table 2-A and Table 2-B.

Region-wide Charge: Regional component of the charge assessed by the Transmission Provider in accordance with Schedule 11 to recover the Region-wide Annual Transmission Revenue Requirement.

Region-wide Load Ratio Share: For application to Section I, Table 2-A of Attachment H, the ratio of a Network Customer's or Transmission Owner's Resident Load to total Resident Load in Zones 1 through 18, computed in accordance with Section II.B to Schedule 11 of this Tariff, and calculated on a calendar year basis for the prior calendar year. For application to Section I, Table 2-B of Attachment H, the ratio of a Network Customer's or Transmission Owner's Resident Load to total Resident Load in the SPP Region, with both numerator and denominator limited to Resident Loads subject to the Region-wide Charge, computed in accordance with Section II.B to Schedule 11 of this Tariff, and calculated on a calendar year basis for the prior calendar year. *Customer loads used to determine the Region-wide Load Ratio Share shall be adjusted for real power losses in accordance with the provisions set out in Section 28.5 of this Tariff.*

Region-wide Rate: Regional component of the rate per kW of Reserved Capacity assessed by the Transmission Provider in accordance with Schedule 11 to recover the Region-wide Annual Transmission Revenue Requirement.

Regional State Committee: A voluntary organization comprised of one designated commissioner from each participating state regulatory commission having jurisdiction over an SPP Member, established to collectively provide both direction and input on all matters pertinent to the participation of the Members in SPP pursuant to the SPP Bylaws.

Regional Transmission Group (RTG): A voluntary organization of Transmission Owners, transmission users and other entities approved by the Commission to efficiently

coordinate transmission planning (and expansion), operation and use on a regional (and interregional) basis.

Reserve Sharing System: The Transmission Provider's computer system that receives and records contingency events and requests for assistance by Reserve Sharing Group members, calculates and communicates the appropriate reserve capacity obligations and reserve energy responsibilities for events to all Reserve Sharing Group members and creates applicable Energy schedules for deployment by the Reserve Sharing Group members.

Reserved Capacity: The maximum amount of capacity and energy that the Transmission Provider agrees to transmit for the Transmission Customer over the Transmission Provider's Transmission System between the Point(s) of Receipt and the Point(s) of Delivery under Part II of the Tariff. Reserved Capacity shall be expressed in terms of whole megawatts on a sixty (60) minute interval (commencing on the clock hour) basis.

Resident Load: The load specified in Section 41 of the Tariff.

Revenue Requirements and Rates File (RRR File): A file posted on the SPP website as a reference to: (i) Annual Transmission Revenue Requirements (ATRRs) for Network Integration Transmission Service, as referenced in Attachment H to this Tariff; (ii) Base Plan ATRR allocation; (iii) allocation factors for Base Plan funded projects; (iv) notes on the calculation of Base Plan ATRR amounts on a Region-wide and Zonal basis; (v) ATRR reallocation for Balanced Portfolio projects; (vi) the calculation of Base Plan Point-To-Point Transmission Service rates on a Region-wide and Zonal basis in accordance with Schedule 11; and (vii) the rates for Point-To-Point Transmission Service as referenced in Attachment T in accordance with Schedules 7 and 8.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Definitions S, 1 Definitions S, 1.0.0, A

Record Narrative Name: Section 1 Definitions S

Tariff Record ID: 22

Tariff Record Collation Value: 18508232 Tariff Record Parent Identifier: 3

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE
Record Content Type: 1
Associated Filing Identifier:

S - Definitions

Screening Study: A study conducted pursuant to Attachment AR of the Tariff to evaluate potential Long-Term Service request options or a proposed Delivery Point Transfer.

Screening Study Agreement: An agreement between Transmission Provider and a Network Customer or Transmission Customer for the performance of a Screening Study pursuant to Attachment AR of the Tariff.

Service Agreement: The initial agreement and any amendments or supplements thereto entered into by the Transmission Customer and the Transmission Provider for service under the Tariff.

Service Commencement Date: The date the Transmission Provider begins to provide service pursuant to the terms of an executed Service Agreement, or the date the Transmission Provider begins to provide service in accordance with Section 15.3 or Section 29.1 under the Tariff.

Service Upgrades: Network Upgrades required to provide transmission service requested by an Eligible Customer in accordance with Attachment Z1 to this Tariff.

Short-Term Firm Point-To-Point Transmission Service: Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of less than one year.

Short-Term Service: Short-Term Firm Point-To-Point Transmission Service or Network Integration Transmission Service of less than one year.

Sponsored Upgrades: Network Upgrades, requested by a Transmission Customer or

other entity, which do not meet the definition of any other category of Network Upgrades.

SPP: The Southwest Power Pool, Inc.

SPP Bylaws: The Bylaws of SPP filed at FERC that set forth the governance structure and other organizational authorities and obligations for SPP.

SPP Membership Agreement: The Southwest Power Pool Membership Agreement detailing the rights and obligations of the SPP and SPP Members.

SPP Region: The geographic area of the Transmission System.

SPP Transmission Expansion Plan (STEP): The plan that describes the transmission expansion projects being considered over the planning period and developed through the stakeholder process in accordance with this Tariff and approved by the SPP Board.

Statutory Load Obligations: Western-UGP's power marketing function obligations under Federal law to deliver power and energy from the output of the Federal hydroelectric projects operated by the Department of the Army and the Bureau of Reclamation to loads which include project use loads, preference power customer loads in Iowa, Minnesota, Montana, Nebraska, North Dakota, and South Dakota located in a marketing area defined pursuant to a power marketing plan, and other loads required to be served under Federal law.

System Condition: A specified condition on the Transmission Provider's system or on a neighboring system, such as a constrained transmission element or flowgate, that may trigger Curtailment of Long-Term Firm Point-To-Point Transmission Service using the curtailment priority pursuant to Section 13.6. Such conditions must be identified in the Transmission Customer's Service Agreement.

System Impact Study: A coordinated assessment by the Transmission Provider and the affected Transmission Owner(s) of (i) the adequacy of the Transmission System to accommodate Short-Term Service or (ii) to determine the Attachment Facilities, other Direct Assignment Facilities, and system upgrades that are needed to accept power into the grid at the interconnection receipt point, required to accommodate a request for generation interconnection in accordance with Attachment V and (iii) whether any additional costs may be incurred in order to provide transmission service or generation interconnection.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Definitions U, 1 Definitions U, 2.0.0, A

Record Narrative Name: Section 1 Definitions U

Tariff Record ID: 24

Tariff Record Collation Value: 20568024 Tariff Record Parent Identifier: 3

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

U - Definitions

Upper Missouri Zone: The Upper Missouri Zone (“UMZ” or “Zone 19”) is the rate pricing zone initially consisting of the following facilities that meet the requirements of Attachment AI, upon the transfer of those facilities to the functional control of the Transmission Provider: (i) the facilities of Western-UGP within the Eastern and Western Interconnections; (ii) the facilities owned or leased by Basin Electric Power Cooperative or Heartland Consumers Power District within the Eastern Interconnection; (iii) a portion of the facilities owned or leased by Basin Electric Power Cooperative within the Western Interconnection; and (iv) other facilities of the Western Area Power Administration in the Eastern Interconnection transferred to the functional control of the Transmission Provider, not included in the facilities of Western-UGP in (i) above.

Users: Transmission Customers or other entities that are parties to transactions under the Tariff.

Upgrade Sponsor: A Transmission Customer, Network Customer, Generation Interconnection Customer, or Project Sponsor paying Directly Assigned Upgrade Costs

for a Creditable Upgrade.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Definitions W, 1 Definitions W, 1.0.0, A

Record Narrative Name: Section 1 Definitions W

Tariff Record ID: 26

Tariff Record Collation Value: 21597920 Tariff Record Parent Identifier: 3

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

W - Definitions

Western Area Power Administration-Upper Great Plains Region (“Western-UGP”):

A division of the Western Area Power Administration that markets and transmits Federal power from reservoir projects under the control of the Department of the Army or the U.S. Bureau of Reclamation. Western-UGP operates the WAUW Balancing Authority Area in the Western Interconnection, where certain of its transmission facilities are located. Western-UGP has transferred Federal transmission facilities in both the Eastern Interconnection and Western Interconnection to the functional control of the Transmission Provider.

Western Interconnection: A major alternating current power grid in North America. The Western Interconnection stretches from Western Canada south to Baja California in Mexico, reaching eastward over the Rockies to the Great Plains. Western Interconnection is comprised of the states of Washington, Oregon, California, Idaho, Nevada, Utah, Arizona, Colorado, Wyoming, portions of Montana, South Dakota, Nebraska, New Mexico and Texas in the United States, the Provinces of British Columbia and Alberta in Canada, and a portion of the Comisión Federal de Electricidad’s system in Baja California in Mexico.

Wholesale Distribution Service: The provision of service over a Transmission Owner's Distribution Facilities necessary to effectuate Network Integration Transmission Service or Point-To-Point Transmission Service under this Tariff. To the extent such Wholesale Distribution Service is required; it shall be specified in the Service Agreement for the associated service being provided under the Tariff. The charges for Wholesale

Distribution Service are described in Schedule 10.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Part III, III Network Integration Transmission Service, 1.0.0, A

Record Narrative Name: Part III Network Integration Transmission Service

Tariff Record ID: 135

Tariff Record Collation Value: 133856584 Tariff Record Parent Identifier: 0

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

III. NETWORK INTEGRATION TRANSMISSION SERVICE

Preamble

The Transmission Provider will provide Network Integration Transmission Service pursuant to the applicable terms and conditions contained in the Tariff and Service Agreement. Network Integration Transmission Service allows the Network Customer to integrate, economically dispatch and regulate its current and planned Network Resources to serve its Network Load in a manner comparable to that in which the Transmission Owners utilize the Transmission System to serve their Native Load Customers. Network Integration Transmission Service also may be used by the Network Customer to deliver economy energy purchases to its Network Load from non-designated resources on an as-available basis without additional charge. Transmission service for sales to non-designated loads will be provided pursuant to the applicable terms and conditions of Part II of the Tariff. The Transmission Provider shall recognize the requirements of the Federal Service Exemption to allow Western-UGP to meet its Statutory Load Obligations.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

39.3 Part. by Western-UGP, 39.3 Participation by Western-UGP Subject to Federal Laws ..., 1.0.0, A

Record Narrative Name: 39.3 Participation by Western-UGP Subject to Federal Laws and Regulations

Tariff Record ID: 1296

Tariff Record Collation Value: 218278160 Tariff Record Parent Identifier: 214

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

39.3 Participation by Western-UGP Subject to Federal Laws and Regulations

(a) Subject to Acts of Congress

The participation by the United States through Western-UGP in this Tariff is subject in all respects to acts of Congress and to regulations of the Secretary of

Energy established thereunder, and to rate schedules promulgated by the Secretary of Energy. This reservation includes, but is not limited to, the statutory limitations upon the authority of the Secretary of Energy to submit disputes arising under this Tariff to arbitration. In the event of a conflict between these Federal participation provisions in Section 39.3 of this Tariff and any other provision of this Tariff, these Federal participation provisions shall have precedence with respect to the application of this Tariff to Western-UGP.

(b) Contingent Upon Appropriations and Authorization

Where activities provided for in this Tariff extend beyond the current fiscal year, continued expenditures by the United States through Western-UGP are contingent upon Congress making the necessary appropriations required for the continued performance of the obligations of the United States under this Tariff. In case such appropriation is not made, the Parties hereby release the United States from its contractual obligations under this Tariff and from all liability due to the failure of Congress to make such appropriation.

(c) Employment Practices; Contractor Agreement

For the purpose of this Federal participation provision, the term “Contract” shall mean this Tariff and the term “Contractor” shall mean a Party having transactions with Western-UGP. During the performance of this Contract, the Contractor agrees to the provisions set forth in Section 39.3 and its subdivisions. In addition, the Contractor will include the following provisions in every subcontract or purchase order involving Western-UGP unless exempted by rules, regulations, or order of the Secretary of Labor.

(i) Equal Opportunity Employment Practices

Section 202 of Executive Order No. 11246, 30 Fed. Reg. 12319 (1965), as amended by Executive Order No. 12086, 43 Fed. Reg. 46501 (1978), which provides, among other things, that the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, is incorporated by reference in the Contract by reference to same as if the specific language had been written into the Contract, except that Indian Tribes and tribal organizations may apply Indian Preference to the extent permitted by federal law.

(ii) Contract Work Hours and Safety Standards

The Contract, to the extent that it is of a character specified in Section 103 of the Contract Work Hours and Safety Standards Act (“Act”), 40 U.S.C.

§ 3701, as amended or supplemented, is subject to the provisions of the Act, 40 U.S.C. § 3701-3708, as amended or supplemented, and to regulations promulgated by the Secretary of Labor pursuant to the Act.

(iii) Use of Convict Labor

The Contractor agrees not to employ any person undergoing sentence of imprisonment in performing the Contract except as provided by 18 U.S.C. § 3622(c), as amended or supplemented, and Executive Order No. 11755, 39 Fed. Reg. 779 (1973), as amended or supplemented.

(d) Western-UGP Co-supply Arrangement

If Western-UGP is a Network Customer and designates Network Load within Zone 19, or outside of the Transmission Provider's Transmission System, the amount of Western-UGP's Network Load shall be based upon its Statutory Load Obligations. Western-UGP's Statutory Load Obligations to its customers are limited because it is not the full-requirements power supplier, except in certain limited cases, and therefore, Western-UGP generally does not serve the total load at a delivery point. The portion of load that exceeds Western-UGP's obligation at a delivery point must be served by another transmission customer ("Co-Supplier"). A Co-Supplier to load in excess of Western-UGP's Statutory Load Obligations shall be allowed to designate its portion of the total load at a delivery point as Network Load. In such case, that Co-Supplier's Network Load shall be the total load at each delivery point less Western-UGP's Statutory Load Obligations.

(e) Western-UGP Federal Service Exemption

The Federal Service Exemption applies to transmission of Federal Power-Western-UGP to the Statutory Load Obligations under this Tariff. Western-UGP was established on December 21, 1977, pursuant to Section 302 of the Department of Energy Organization Act, Public Law 95-91, dated August 4, 1977. By law, Western-UGP markets Federal Power-Western-UGP to meet its Statutory Load Obligations. Western-UGP's transmission system was built primarily to enable the delivery of Federal power to satisfy these obligations. Use of transmission facilities that Western-UGP owns, operates, or to which it has contract rights for delivery of Federal long-term firm capacity and energy to project use and firm electric service customers is a Western-UGP responsibility under the terms and conditions of marketing criteria and electric service contracts implementing Statutory Load Obligations to market Federal power. This is complementary with the provisions of transmission service under the Tariff.

Capacity in transmission facilities provided by Western-UGP under this Tariff is solely for the use of Available Transfer Capability in excess of the capability Western-UGP requires for the delivery of long-term firm capacity and energy to Statutory Load Obligations. Western-UGP retains the Available Transfer Capability from its Federal Power-Western-UGP in the UMZ to deliver to its Statutory Load Obligations.

(i) Western-UGP shall be exempt from the Region-wide Charge associated with Western-UGP's delivery of Federal Power-Western-UGP to Statutory Load Obligations internal to the UMZ or external to the Transmission Provider. The Transmission Provider will not assess load served by Western UGP in the Western Interconnection for the Region-wide Charge, associated with transmission facilities in the Eastern Interconnection, to the extent that load that is located in the Western Interconnection is served only by resources in the Western Interconnection.

(ii) Western-UGP shall be exempt from congestion and marginal loss charges in accordance with Attachment AE of this Tariff for deliveries from Federal Power-Western-UGP resources across the UMZ to Western-UGP's Statutory Load Obligations. Western-UGP shall be responsible for providing the Transmission Provider real power losses for the energy delivered from the Federal Power-Western-UGP resources under the Federal Service Exemption across Zone 19 in accordance with Attachment M of this Tariff.

(f) Federal Projects

The individual hydroelectric projects from which the Western-UGP markets power and energy are owned and controlled by the Department of the Army or the U.S. Bureau of Reclamation. These projects are operated to satisfy multiple purposes such as irrigation, navigation, flood control, fish and wildlife, and recreation, as well as power production. Any operation of, and maintenance, modification or addition to such projects is subject to the requirements and express approval of either the Department of the Army or the U.S. Bureau of Reclamation. Western-UGP's transmission system is integrated at various locations through switchyard facilities owned and operated by the Department of the Army or U.S. Bureau of Reclamation. Any operation of, and maintenance, modification, or addition to such facilities, including the funding of such activities, is subject to the requirements and express approval of the Department of the Army or U.S. Bureau of Reclamation. Western-UGP shall communicate and coordinate with the Department of the Army on any operation of, and

maintenance, modification, or addition to the Department of the Army or the U.S. Bureau of Reclamation facilities as requested by the Transmission Provider; provided that compliance with the Transmission Provider's request shall be within the discretion of, and subject to the approval of, the Department of the Army or the U.S. Bureau of Reclamation. In the event the Transmission Provider requests changes to a hydroelectric generation facility due to redispatch, operation, maintenance or addition to hydroelectric generation owned and operated by the Department of the Army or U.S. Bureau of Reclamation and marketed by Western-UGP, Western-UGP shall coordinate its operations with the Department of the Army and U.S. Bureau of Reclamation to accommodate the Transmission Provider's request to the extent allowed by the Department of the Army or U.S. Bureau of Reclamation. Nothing in this section is intended to change the Department of the Army or U.S. Bureau of Reclamation obligations pursuant to their registration with NERC.

(g) Federal Projects as Designated Resources

The Federal Power-Western-UGP resources will be deemed to be eligible as Western-UGP Designated Resources.

(h) Transmission Expansion, Interconnections, Modifications, and Additions

As a Federal agency, Western-UGP must comply with various environmental and natural resource laws regulating the construction, operation and maintenance of its transmission facilities, including but not limited to the National Historic Preservation Act, 16 U.S.C. § 470 to 470x-6, the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321-4347 ("NEPA"), the Endangered Species Act, 16 U.S.C. §§ 1531-1544, and the Archaeological Resources Protection Act of 1979, 16 U.S.C. § 470aa-470mm (2006); and regulations and Executive Orders implementing these laws, as they may be amended or supplemented, as well as any other existing or subsequent applicable laws, regulations and Executive Orders. The Transmission Provider shall assist Western-UGP in complying with the environmental laws, regulations and resource protection measures that apply to Western-UGP for changes to the Western-UGP transmission facilities. Transmission expansion, interconnections, modifications and additions of, and or to, Western-UGP's transmission facilities are dependent on Western-UGP's conclusions and decisions reached in the record of decision under NEPA, or other such appropriate NEPA document, concerning the respective project. Western-UGP's NEPA review could result in a decision not to take action or to delay action. Transmission Provider agrees to abide by such decision and it shall not be subject to the dispute resolution procedures of this Tariff.

(i) Advance Funding

In the absence of appropriated funds, Western-UGP requires advance deposit of funds when it is required to perform any work for third parties. As such, Western-UGP must receive an advance deposit of funds pursuant to Federal law prior to Western-UGP committing to perform any work pursuant to the Tariff.

(j) Liability

Western-UGP as a Transmission Customer as defined in Part I of this Tariff cannot indemnify, defend, and save harmless the Transmission Provider and Transmission Owner(s) pursuant to Section 10.3 of this Tariff due to the Antideficiency Act, 31 U.S.C. § 1341, et seq, as amended or supplemented. Western-UGP's liability as a Transmission Customer is instead determined in accordance with the Federal Tort Claims Act, 28. U.S.C. § 1346(b), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.

(k) Western-UGP Rate Review

Western-UGP's transmission service rates and revenue requirements shall only be reviewed in accordance with Delegation Order No. 00-037.00A from the Secretary of Energy to the Federal Power Marketing Agencies and the Commission, as superseded or amended, and in accordance with the regulations implementing the review authority found in 10 C.F.R. Part 903 and 18 C.F.R. Part 300, as superseded or amended.

(l) Inapplicability of Section 39.1 to a Federal Power Marketing Agency

Section 39.1 of this Tariff shall not apply to Western-UGP.

(m) No Expansion of Jurisdiction, Waiver Of Defenses, Liability For Penalties, Or Inconsistent Obligations

Western-UGP has not waived or conceded any defense it may have, including sovereign immunity, intergovernmental immunity, or lack of subject matter jurisdiction in any action against it by an Enforcement Authority, nor has Western-UGP accepted any liability, responsibility, or obligation to pay any civil monetary penalties or fines imposed by an Enforcement Authority to which it would not have been subject in the absence of this Tariff. "Enforcement Authority" means the Commission, Electric Reliability Organization (ERO), or Regional Entities with enforcement authority pursuant to a delegation from an ERO or Commission for the purpose of proposing and enforcing reliability

standards. The Transmission Provider does not concede or accept responsibility for any portion of a penalty or fine attributable to the actions or omissions of Western-UGP. The Transmission Provider will identify the amount of any penalty or fine that the Transmission Provider allocates to Western-UGP or that the Transmission Provider determines is attributable to Western-UGP and will identify that amount to FERC as uncollectable and not otherwise owed by the Transmission Provider.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

39.4 App. to Rural Elect., 39.4 Applicability to Rural Electric Cooperatives, 0.0.0, A

Record Narrative Name: 39.4 Applicability to Rural Electric Cooperatives

Tariff Record ID: 1309

Tariff Record Collation Value: 218293108 Tariff Record Parent Identifier: 214

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: NEW

Record Content Type: 1

Associated Filing Identifier:

39.4 Applicability to Rural Electric Cooperatives

The participation in this Tariff by a Transmission Owner that is an electric cooperative that receives financing under the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) is subject in all respects to the laws and regulations of the state of its creation and to rate schedules adopted by its governing board under state law. The Commission has exclusive jurisdiction to interpret the provisions of this Tariff and how the provisions apply to such entity. However, in the event that the governing board of such entity, subject to state court review, determines that a conflict exists between the applicable state law, regulations, or rate schedules, and provisions of this Tariff as interpreted by the Commission, such state law, regulations, or rate schedules shall govern with respect to the application of this Tariff to such entity. Should the governing board of such entity determine that such a conflict exists, the entity must file with the Commission such necessary documents notifying the Commission of the governing board's determination of such a conflict and explaining both the conflict (including what state law, regulations, or rate schedules and what Tariff provisions are at issue) and what actions the governing board is taking in response to that determination.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Schedule 7, Schedule 7 Long-Term Firm and Short-Term Firm Point-To-Pt..., 3.0.0, A

Record Narrative Name: Schedule 7 Long-Term Firm and Short-Term Firm Point-To-Point Transmission Service

Tariff Record ID: 228

Tariff Record Collation Value: 229636912 Tariff Record Parent Identifier: 0

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

SCHEDULE 7

LONG-TERM FIRM AND SHORT-TERM FIRM POINT-TO-POINT TRANSMISSION SERVICE

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges set forth below in addition to other applicable charges specified in the Tariff. All effective rates under this schedule shall be posted on the SPP OASIS.

1. Zonal Rates: The Transmission Customer shall pay the zonal rate (per kW of reserved capacity) based upon the Zone where the load is located for Firm Point-To-Point Transmission Service where the generation source is outside the SPP Region and the load is located within the SPP Region and for Firm Point-To-Point Transmission Service where both the generation source and the load are located within the SPP Region. For Firm Point-To-Point Transmission Service where the generation source is located within the SPP Region and the load is located outside of the SPP Region, and for Firm Point-To-Point Transmission Service where both the generation source and the load are located outside of the SPP Region, the Transmission Customer shall pay the zonal rate (per kW of reserved capacity) for the Zone interconnected with the Balancing Authority Area, external to the SPP Region, that is the designated Point of Delivery. Where there is more than one Zone interconnected with such Balancing Authority Area, the lowest zonal rate of the interconnected Zones is applicable. The zonal rates are stated in Attachment T.

The Zones are as follows:

- Zone 1: American Electric Power – West
- Zone 2: Reserved for Future Use
- Zone 3: City Utilities of Springfield, Missouri
- Zone 4: Empire District Electric Company
- Zone 5: Grand River Dam Authority
- Zone 6: Kansas City Power & Light Company
- Zone 7: Oklahoma Gas & Electric Company
- Zone 8: Midwest Energy, Inc.
- Zone 9: KCP&L Greater Missouri Operations Company
- Zone 10: Southwestern Power Administration
- Zone 11: Southwestern Public Service

Zone 12:	Sunflower Electric Cooperative
Zone 13:	Western Farmers Electric Cooperative
Zone 14:	Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy)
Zone 15:	Mid-Kansas Electric Company
Zone 16:	Lincoln Electric System
Zone 17:	Nebraska Public Power District
Zone 18:	Omaha Public Power District
Zone 19:	Upper Missouri Zone

No changes in Zones shall be made without submitting a filing to the Commission.

2. Caps: The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the weekly rate times the highest amount in kilowatts of Reserved Capacity in any day during such week.

3. Redispatch Costs: The redispatch costs shall be calculated in accordance with the formula and protocols shown on Attachment K.

4. Real Power Losses: The Transmission Customer shall be responsible for *real power* losses determined in accordance with Attachment M.

5. a. Direct Assignment Costs: Where a Facilities Study indicates the need to construct Direct Assignment Facilities to accommodate a request for Transmission Service, the Transmission Customer shall be charged the full cost of such Direct Assignment Facilities in addition to the charges specified in this Schedule and Tariff. The annual costs of the facility shall be calculated by multiplying the levelized fixed charge rate of the Transmission Owner by the nondepreciated cost of the facility. Each month the Transmission Customer shall pay a charge based on such annual costs divided by twelve. Any such charge will be filed with the Commission.

b. Directly Assigned Upgrade Costs: Where a Facilities Study indicates the need to construct Network Upgrades to accommodate a request for Transmission Service, the Transmission Customer may be allocated Directly Assigned Upgrade Costs in accordance with Attachments J and Z1. Any such charge will be filed with the Commission. The Transmission Customer shall be charged the higher of (i) the charges specified in Schedules 7 and 11 or (ii) the Directly Assigned Upgrade Costs. The Transmission Customer shall also be charged any other applicable charges under the Tariff. If the Transmission Customer is charged the Directly

Assigned Upgrade Costs, upon completion of construction of such assigned upgrades, the Transmission Provider shall reconcile the Directly Assigned Upgrade Costs against the actual construction costs. Based on the reconciliation, the Transmission Customer's cost responsibility shall be adjusted as appropriate.

6. Wholesale Distribution Service: Where Wholesale Distribution Service is provided to effectuate Firm Point-To-Point Transmission Service, the Transmission Customer shall pay all charges levied pursuant to the Wholesale Distribution Service Agreement and Schedule 10.

7. Base Plan Zonal Charges and Region-wide Charges: The Transmission Customer shall pay all charges assessed pursuant to Schedule 11 to the extent the revenue from such charges is not recovered by the Transmission Provider from the Transmission Customer pursuant to Section 5.b of this Schedule.

8. Resales: The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Schedule 8, Schedule 8 Non-Firm Point-To-Point Transmission Service, 3.0.0, A

Record Narrative Name: Schedule 8 Non-Firm Point-To-Point Transmission Service

Tariff Record ID: 229

Tariff Record Collation Value: 230666808 Tariff Record Parent Identifier: 0

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

SCHEDULE 8 NON-FIRM POINT-TO-POINT TRANSMISSION SERVICE

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth below in addition to other applicable charges specified in the Tariff. All effective rates under this schedule shall be posted on the SPP OASIS.

1. Zonal Rates: The Transmission Customer shall pay the zonal rate (per KW of reserved capacity) based upon the Zone where the load is located for Non-Firm Point-To-Point Transmission Service where the generation source is outside the SPP Region and the load is located within the SPP Region and for Non-Firm Point-To-Point Transmission Service where both the generation source and the load are located within the SPP Region. For Non-Firm

Point-To-Point Transmission Service where the generation source is located within the SPP Region and the load is located outside of the SPP Region, and for Non-Firm Point-To-Point Transmission Service where both the generation source and the load are located outside of the SPP Region, the Transmission Customer shall pay the zonal rate (per KW of reserved capacity) for the Zone interconnected with the Balancing Authority Area, external to the SPP Region, that is the designated Point of Delivery. Where there is more than one Zone interconnected with such Balancing Authority Area, the lowest zonal rate of the interconnected Zones is applicable. The zonal rates are stated in Attachment T.

The Zones are as follows:

- Zone 1: American Electric Power – West
- Zone 2: Reserved for Future Use
- Zone 3: City Utilities of Springfield, Missouri
- Zone 4: Empire District Electric Company
- Zone 5: Grand River Dam Authority
- Zone 6: Kansas City Power & Light Company
- Zone 7: Oklahoma Gas & Electric Company
- Zone 8: Midwest Energy, Inc.
- Zone 9: KCP&L Greater Missouri Operations Company
- Zone 10: Southwestern Power Administration
- Zone 11: Southwestern Public Service
- Zone 12: Sunflower Electric Cooperative
- Zone 13: Western Farmers Electric Cooperative
- Zone 14: Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy)
- Zone 15: Mid-Kansas Electric Company
- Zone 16: Lincoln Electric System
- Zone 17: Nebraska Public Power District
- Zone 18: Omaha Public Power District
- Zone 19: Upper Missouri Zone

No changes in Zones shall be made without submitting a filing to the Commission.

2. Caps: The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the weekly rate times the highest amount in kilowatts of Reserved

Capacity in any day during such week. The total demand charge in any day, pursuant to a reservation for Hourly delivery, shall not exceed the daily rate times the highest amount in kilowatts of Reserved Capacity in any hour during such day. In addition, the total demand charge in any week, pursuant to a reservation for Hourly or Daily delivery, shall not exceed the weekly rate above times the highest amount in kilowatts of Reserved Capacity in any hour during such week.

3. Redispatch Costs: The redispatch costs shall be calculated in accordance with the formula and protocols shown on Attachment K.

4. Discounts: The Transmission Provider may offer discounts under this Schedule. Three principal requirements apply to discounts for transmission service as follows: (1) any offer of a discount made by the Transmission Provider must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. For any discount agreed upon for service on a path, from Point(s) of Receipt to Point(s) of Delivery, the Transmission Provider must offer the same discounted transmission service rate for the same time period to all Eligible Customers on all unconstrained transmission paths that go to the same Point(s) of Delivery on the Transmission System. In offering discounts, the Transmission Provider's goal shall be to maximize transmission revenues.

4(a) Next-Hour-Market Service: The basic charge shall be that agreed upon by the Parties at the time this service is reserved and in no event shall exceed the applicable charges posted on OASIS. In the event that transmission service is curtailed or interrupted by the Transmission Provider, either acting directly or indirectly at the request of another transmission provider or a Security Coordinator, the Transmission Customer shall be charged only for that portion of the hour of actual transmission service used. The pro-rata portion must be agreed upon between the Transmission Provider and the Transmission Customer.

5. Real Power Losses: The Transmission Customer shall be responsible for *real power* losses determined in accordance with Attachment M.

6. Wholesale Distribution Service: Where Wholesale Distribution Service is provided to effectuate Non-Firm Point-To-Point Transmission Service, the Transmission Customer shall pay all charges levied pursuant to the Wholesale Distribution Service Agreement

and Schedule 10.

7. Base Plan Zonal Charges and Region-wide Charges: The Transmission Customer shall pay all charges assessed pursuant to Schedule 11.

8. Resales: The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:
Schedule 9, Schedule 9 Network Integration Transmission Service, 4.0.0, A
Record Narrative Name: Schedule 9 Network Integration Transmission Service
Tariff Record ID: 230
Tariff Record Collation Value: 231696704 Tariff Record Parent Identifier: 0
Proposed Date: 2015-10-01
Priority Order: 500
Record Change Type: CHANGE
Record Content Type: 1
Associated Filing Identifier:

SCHEDULE 9 NETWORK INTEGRATION TRANSMISSION SERVICE

The Transmission Customer shall compensate the Transmission Provider for Network Integration Transmission Service at the applicable charges set forth below in addition to other applicable charges specified in the Tariff.

1. Zonal Rates: The Transmission Customer taking Network Integration Transmission Service shall pay a monthly demand charge for the Zone where the load is located. Each month, the Transmission Customer shall pay the Transmission Provider the applicable monthly zonal Demand Charge, determined in accordance with Section 34.1. If a Transmission Customer has load in multiple Zones, the Transmission Customer shall pay the monthly demand charge for each Zone in which its load is located. For load not physically interconnected with the Transmission System designated as Network Load pursuant to Section 31.3, the Network Customer shall pay the zonal Demand Charge for the Zone interconnected with the Balancing Authority Area, external to the SPP Region, that is the designated Point of Delivery. For Network Customers in Zones 1 through 18 designating load external to the SPP Region, where there is more than one Zone interconnected with such Balancing Authority Area, the lowest zonal Demand Charge of the interconnected Zones is applicable. For Network Customers in Zone 19 designating load external to the SPP Region, where there is more than one Zone interconnected with such Balancing Authority Area, the zonal Demand Charge of Zone 19 is

applicable. A Transmission Customer that is serving load on the Xcel Energy Operating Companies' transmission system taking Network Integration Transmission Service under the Xcel Energy Operating Companies' OATT and also takes transmission service under Part III of this Tariff to export over the Lamar Tie Line resources from the SPS Zone to serve load on the Public Service Company of Colorado (PSCo) transmission system shall have its zonal rate charges under this Schedule 9 reduced by 100%. A Transmission Customer that is serving load on the Xcel Energy Operating Companies' transmission system taking Network Integration Transmission Service under the Xcel Energy Operating Companies' OATT and also takes transmission service under Part III of this Tariff to import over the Lamar Tie Line resources to serve its load in the SPS Zone shall be subject to the applicable charges under this Schedule 9, without reduction. The Zonal Annual Transmission Revenue Requirement of each Zone is stated in Attachment H. Notwithstanding anything to the contrary in this Tariff, a Transmission Owner taking Network Integration Transmission Service may elect not to pay (in whole or in part) the monthly demand charges specified in the preceding paragraph to the extent that the Transmission Owner would have received under Attachment L (revenue distribution) the amounts it seeks to not pay under this provision. A Transmission Owner electing this option shall remain obligated to pay any applicable charges for transmission services using any other Transmission Owner's facilities unless the transmission is provided pursuant to a Grandfathered Agreement (in which case compensation provisions under the Grandfathered Agreement control). A Transmission Owner electing this option shall remain responsible for any credits pursuant to Section 30.9 and for all other applicable charges under this Tariff. This election will only be effective through January 31, 2010.

The Zones are as follows:

- Zone 1: American Electric Power - West
- Zone 2: Reserved for Future Use
- Zone 3: City Utilities of Springfield, Missouri
- Zone 4: Empire District Electric Company
- Zone 5: Grand River Dam Authority
- Zone 6: Kansas City Power & Light Company
- Zone 7: Oklahoma Gas & Electric Company
- Zone 8: Midwest Energy, Inc.

Zone 9:	KCP&L Greater Missouri Operations Company
Zone 10:	Southwestern Power Administration
Zone 11:	Southwestern Public Service
Zone 12:	Sunflower Electric Cooperative
Zone 13:	Western Farmers Electric Cooperative
Zone 14:	Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy)
Zone 15:	Mid-Kansas Electric Company
Zone 16:	Lincoln Electric System
Zone 17:	Nebraska Public Power District
Zone 18:	Omaha Public Power District
Zone 19:	Upper Missouri Zone

No changes in Zones shall be made without submitting a filing to the Commission.

2. Redispatch Costs: The redispatch costs shall be calculated in accordance with the formula and protocols shown on Attachment K.

3. Real Power Losses: The Transmission Customer shall be responsible for *real power* losses determined in accordance with Attachment M.

4. a.) Direct Assignment Costs: Where a Facilities Study indicates the need to construct Direct Assignment Facilities to accommodate a request for Transmission Service, the Transmission Customer shall be charged the full cost of such Direct Assignment Facilities in addition to the charges specified in this Schedule and Tariff. The annual costs of the facility shall be calculated by multiplying the levelized fixed charge rate of the Transmission Owner by the nondepreciated cost of the facility. Each month the Transmission Customer shall pay a charge based on such annual costs divided by twelve. Any such charge will be filed with the Commission.

b.) Directly Assigned Upgrade Costs: Where a Facilities Study indicates the need to construct Network Upgrades to accommodate a request for Transmission Service, the Transmission Customer may be allocated Directly Assigned Upgrade Costs in accordance with Attachments J and Z1. Any such charge will be filed with the Commission. The Transmission Customer shall be charged the Directly Assigned Upgrade Costs in addition to the charges specified in this Schedule and any other applicable charges under this Tariff. If the Transmission Customer is charged the Directly Assigned Upgrade Costs, upon completion of

construction of such assigned upgrades, the Transmission Provider shall reconcile the Directly Assigned Upgrade Costs against the actual construction costs. Based on the reconciliation, the Transmission Customer's cost responsibility shall be adjusted as appropriate.

5. Wholesale Distribution Service: Where Wholesale Distribution Service is provided to effectuate Network Integration Transmission Service, the Network Customer shall pay all charges levied pursuant to the Wholesale Distribution Service Agreement and Schedule 10.

6. Base Plan Zonal Charges and Region-wide Charges: The Transmission Customer shall pay all charges assessed pursuant to Schedule 11.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:
Schedule 11, Schedule 11 Base Plan Zonal Charge and Region-wide Charge, 5.0.0, A
Record Narrative Name: Schedule 11 Base Plan Zonal Charge and Region-wide Charge
Tariff Record ID: 232
Tariff Record Collation Value: 233756496 Tariff Record Parent Identifier: 0
Proposed Date: 2015-10-01
Priority Order: 500
Record Change Type: CHANGE
Record Content Type: 1
Associated Filing Identifier:

SCHEDULE 11

BASE PLAN ZONAL CHARGE AND REGION-WIDE CHARGE

I. Introduction

Except as provided herein, pursuant to Part V of this Tariff, Base Plan Zonal Charges and Region-wide Charges shall be assessed to Network Customers and, where applicable, Transmission Owners based on Resident Load. Likewise, Base Plan Zonal Charges and the Region-wide Charge shall be assessed to each Transmission Customer taking Point-To-Point Transmission Service under the Tariff based on Reserved Capacity. These charges will be applied only to service taken in whole or in part within the Eastern Interconnection. Western-UGP shall be exempt from the Region-wide Charge under this Schedule 11 in accordance with Section 39.3(e) of this Tariff. For the purpose of determining the Region-wide Load Ratio Shares for application of Schedule 11, transmission of Federal Power-Western-UGP to the Statutory Load Obligations served by Western-UGP shall be excluded from the Transmission Provider's monthly Zone transmission load for Zone 19 used as a component of the divisor for all Zones and from the numerator used for Zone 19. The charges stated in Schedule 11 shall not be changed absent a filing with the Commission.

II. Base Plan Zonal Charges and Region-wide Charge to Resident Load

A. Base Plan Zonal Charge to Resident Load

The Network Customer and the Transmission Owner shall pay a monthly Base Plan Zonal Charge, which shall be determined by multiplying its Base Plan Zonal Load Ratio Share by one twelfth ($1/12$) of the Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J for each Zone in which the Network Customer's or Transmission Owner's Resident Load is physically located. Where a Network Customer has designated Network Load not physically interconnected with the Transmission System under Section 31.3, Network Customer shall pay a monthly Zonal Base Plan Charge, which shall be determined by multiplying its Base Plan Zonal Load Ratio Share by one twelfth ($1/12$) of the Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J for the Zone that is the basis for charges under Schedule 11.

1. Determination of Network Customer's and Transmission Owner's Monthly Zonal Resident Load

The Network Customer's or Transmission Owner's monthly zonal Resident Load is its integrated hourly load coincident with the monthly peak of the Zone where the Resident Load is physically located. Where a Network Customer or Transmission Owner has Resident Load in more than one Zone, the monthly Resident Load will be determined separately for each Zone. Where a Network Customer has designated Network Load not physically interconnected with the Transmission System under Section 31.3, the Network Customer's monthly Resident Load will be its hourly load coincident with the monthly peak of the Zone that is the basis for charges under Schedule 11.

2. Determination of Transmission Provider's Monthly Zone Transmission Load

The Transmission Provider's monthly Transmission System load shall be determined in accordance with Section 34.5 of this Tariff.

B. Region-wide Charge to Resident Load

Network Customers and Transmission Owners shall pay a monthly Region-wide Charge, which shall be determined as (i) the product of its Region-wide Load Ratio Share

applicable to Section I, Table 2-A of Attachment H and one twelfth (1/12) of the Region-wide Annual Transmission Revenue Requirement specified in Section I, Table 2-A of Attachment H, plus (ii) the product of its Region-wide Load Ratio Share applicable to Section I, Table 2-B of Attachment H and one twelfth (1/12) of the Region-wide Annual Transmission Revenue Requirement specified in Section I, Table 2-B of Attachment H.

1. Determination of Network Customer's and Transmission Owner's Monthly Regional Resident Load in Zones 1 through 18

For Zones 1 through 18, the Network Customer's or Transmission Owner's monthly regional Resident Load is the sum of its monthly zonal Resident Load for each Zone, where the monthly zonal Resident Load is determined separately for each Zone coincident with the monthly peak of the Zone in accordance with Section II.A.1.

2. Determination of Network Customer's and Transmission Owner's Monthly Regional Load in Zone 19

For application of the Region-wide Charge under this Schedule 11, the Network Customer's or Transmission Owner's load for Zone 19 shall be the integrated hourly load coincident with the monthly peak of Zone 19 calculated in accordance with Section II.A.1 less: (i) load in the Western Interconnection to the extent that such load is served only by resources in the Western Interconnection, and (ii) service provided under the Western-UGP Federal Service Exemption.

3. Determination of Transmission Provider's Monthly Regional Transmission System Load

The Transmission Provider's monthly regional Transmission System load is the sum of the monthly Zone transmission load for each Zone, where the monthly zone transmission load for each Zone is determined on a non-coincident basis in accordance with Section II.A.2, but with Zone 19 load modified in accordance with Section II.B.2.

C. Special Provision for Non-Federal Service Exemption service to Western-UGP's Statutory Load Obligations

Western-UGP's Statutory Load Obligations ordinarily served by Federal Power Western-UGP, may be served on occasion from resources where the

Western-UGP Federal Service Exemption from Schedule 11 Region-wide Charges is not applicable. In any such instance, Region-wide Charges will be applied as calculated pursuant to Sections III.C.1.a and III.C.3 of this Schedule 11.

III. Base Plan Zonal Charge and Region-wide Charge for Point-To-Point Transmission Service

A. Base Plan Zonal Charge for Point-To-Point Transmission Service

The Base Plan Zonal Charge shall be assessed to Transmission Customers taking Firm or Non-Firm Point-To-Point Transmission Service under the SPP Tariff. The Transmission Customer shall pay the Base Plan Zonal Rate (per kW of Reserved Capacity) based upon the Zone where the load is located for Point-To-Point Transmission Service where the generation source is outside the SPP Region and the load is located within the SPP Region and for Point-To-Point Transmission Service where both the generation source and the load are located within the SPP Region. For Point-To-Point Transmission Service where the generation source is located within the SPP Region and the load is located outside of the SPP Region, and for Point-To-Point Transmission Service where both the generation source and the load are located outside of the SPP Region, the Transmission Customer shall pay the Base Plan Average Zonal Rate (per kW of Reserved Capacity). The Base Plan Zonal Rates and the Base Plan Average Zonal Rate shall be calculated in accordance with Section III.D and set forth in the Revenue Requirements and Rates File ("RRR File") posted on the SPP website.

B. Region-wide Charge for Point-To-Point Transmission Service

The Region-wide Charge shall be assessed to Transmission Customers taking Firm or Non-Firm Point-To-Point Transmission Service under the SPP Tariff. The Transmission Customer shall pay the Region-wide Rate (per kW of Reserved Capacity) for Point-To-Point Transmission Service. The Region-wide Rate shall be calculated in accordance with Section III.C and set forth in the RRR File posted on the SPP website.

C. Region-wide Rate for Point-To-Point Transmission Service

1. Determination of Annual Region-wide Rate

- a. The Region-wide Annual Transmission Revenue Requirement

specified in Attachment H are the basis for the Region-wide Rate. Except for service where the load is located within Zone 19, the annual Region-wide Rate for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula:

$$RR = \text{RATRR2A/MRTL 1 to 18} + \text{RATRR2B/MRTL}$$

in which

RR = the annual Region-wide Rate

RATRR2A = the Region-wide Annual Transmission Revenue Requirement specified in Table 2-A of Section I, Attachment H

RATRR2B = the Region-wide Annual Transmission Revenue Requirement specified in Table 2-B of Section I, Attachment H

MRTL 1 to 18 = the average of the monthly regional Transmission System loads in Zones 1 to 18 only, for the twelve months of the calendar year prior to the billing year. The monthly regional Transmission System load shall be determined in accordance with Section II.B.3 less the Zone 19 load modified in accordance with Section II.B.2.

MRTL = the average of the monthly regional Transmission System loads, for the twelve months of the calendar year prior to the billing year. The monthly regional Transmission System load is determined in accordance with Section II.B.3.

b. For service where the load is located within Zone 19, the annual Region-wide Rate for Firm Point-to-Point Transmission Service shall be determined in accordance with the following formula:

$$RR_{19} = \text{RATRR2B/MRTL}$$

in which

RR₁₉ = the annual Region-wide Rate applicable to load in Zone 19

RATRR2B = as defined above

MRTL = as defined above

2. Region-wide Rate for Firm Point-To-Point Transmission Service

The Region-wide Rate for Firm Point-To-Point Transmission Service shall be:

Per month = annual Region-wide Rate divided by 12;
 Per week = annual Region-wide Rate divided by 52;
 Per day “on-peak” = the “per week” Region-wide Rate divided by 5;
 provided that the rate for 5 to 7 consecutive days
 may not exceed the “per week” Region-wide Rate;
 and
 Per day “off-peak” = the “per week” Region-wide Rate divided by 7.

3. Region-wide Rate for Non-Firm Point-To-Point Transmission Service

The Region-wide Rate for Non-Firm Point-To-Point Transmission Service shall be:

Per month = annual Region-wide Rate divided by 12;
 Per week = annual Region-wide Rate divided by 52;
 Per day “on-peak” = the “per month” Region-wide Rate multiplied by 12
 then divided by 260;
 Per day “off-peak” = the “per month” Region-wide Rate multiplied by 12
 then divided by 365;
 Per hour “on-peak” = the “per month” Region-wide Rate multiplied by 12
 then divided by 4160; and
 Per hour “off-peak” = the “per month” Region-wide Rate multiplied by 12
 then divided by 8760.

4. Total Region-wide Charge

The total Region-wide Charge paid by a Transmission Customer pursuant to a reservation for hourly delivery shall not exceed the above on-peak daily rate multiplied by the highest amount of Reserved Capacity in any hour during such day. The total Region-wide Charge in any week, pursuant to a reservation for hourly or daily delivery, shall not exceed the above Region-wide Rate specified for weekly delivery multiplied by the highest amount of Reserved Capacity in any hour during such week.

**5. Rate Sheet for Region-wide Point-To-Point Transmission Service
 Firm Point-To-Point Transmission Service**

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges set forth in the (“RRR File”) posted on the SPP website.

Non-Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth in the RRR File posted on the SPP website.

D. Base Plan Zonal Rates for Point-To-Point Transmission Service

1. Determination of Annual Base Plan Zonal Rate

The Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J is the basis for the Base Plan Zonal Rates. The annual Base Plan Zonal Rates for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula for each Zone.

$$\text{BPZR} = \text{BPZATRR} / \text{MZTL}$$

in which

BPZR = the annual Base Plan Zonal Rate for the Zone

BPZATRR = the Base Plan Zonal Annual Transmission Revenue Requirement for the Zone as specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J

MZTL = the average of the sum of the monthly Zone transmission load for the Zone for the twelve months of the calendar year prior to the billing year. The monthly Zone transmission load is determined in accordance with Section II.A.2.

2. Base Plan Zonal Rate for Firm Point-To-Point Transmission Service

The Base Plan Zonal Rate for Firm Point-To-Point Transmission Service for each Zone shall be:

Per month = annual Base Plan Zonal Rate for the Zone divided by 12;

Per week = annual Base Plan Zonal Rate for the Zone divided by 52;

Per day “on-peak” = the “per week” Base Plan Zonal Rate for the Zone divided by 5; provided that the rate for 5 to 7 consecutive days may not exceed the “per week” Base Plan Zonal Rate;

Per day “off-peak” = the “per week” Base Plan Zonal Rate for the Zone divided by 7.

3. Base Plan Zonal Rate for Non-Firm Point-To-Point Transmission Service

The Base Plan Zonal Rate for Non-Firm Point-To-Point Transmission Service for each Zone shall be:

Per month = annual Base Plan Zone Rate for the Zone divided by 12;

Per week = annual Base Plan Zonal Rate for the Zone divided by 52;

Per day “on-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 260;

Per day “off-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 365;

Per hour “on-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 4160; and

Per hour “off-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 8760.

4. Base Plan Average Zonal Rate

The total Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H for all Zones less the total of all zonal amounts reallocated in accordance with Section IV.A of Attachment J is the basis for the Base Plan Average Zonal Rate. The annual Base Plan Average Zonal Rate for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula.

$BPAZR = TBPZATTRR / MRTL$

in which

$BPAZR =$ the annual Base Plan Average Zonal Rate

$TBPZATTRR =$ the total Base Plan Zonal Annual Transmission Revenue Requirement for all Zones as specified in Attachment H less the total of all zonal amounts reallocated in accordance with Section IV.A of Attachment J

$MRTL =$ as defined in Section III.C.1

The Base Plan Average Zonal Rates for Firm Point-To-Point Transmission Service and Non-Firm Point-To-Point Transmission Service for each month, week, day on-peak, day off-peak, hour on-peak, and hour off-peak shall be based on the annual Base Plan Average Zonal Rate and calculated consistently with the formulas shown in Sections III.D.2 and III.D.3.

5. Total Zonal Base Plan Charge

The total zonal charge paid by a Transmission Customer under this Schedule 11 pursuant to a reservation for hourly delivery shall not exceed the applicable on-peak daily rate multiplied by the highest amount of Reserved Capacity in any hour during such day. The total zonal charge under this Schedule 11 in any week, pursuant to a reservation for hourly or daily delivery, shall not exceed the applicable rate specified for weekly delivery multiplied by the highest amount of Reserved Capacity in any hour during such week.

**6. Rate Sheets for Base Plan Zonal Point-To-Point Transmission Service
Firm Point-To-Point Transmission Service**

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges set forth in the RRR File posted on the SPP website.

Non-Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth in the RRR File posted on the SPP website.

E. On-Peak and Off-Peak

Off-Peak days shall be Saturdays and Sundays and all NERC holidays. All other days shall be On-Peak. All hours during Off-Peak days shall be Off-Peak. On-Peak hours during On-Peak days shall be all hours from HE 0700 through HE 2200 Central Prevailing Time. All other hours during On-Peak days shall be Off-Peak.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:
Schedule 12, Schedule 12 FERC Assessment Charge, 1.0.0, A
Record Narrative Name: Schedule 12 FERC Assessment Charge
Tariff Record ID: 234
Tariff Record Collation Value: 236846184 Tariff Record Parent Identifier: 0
Proposed Date: 2015-10-01
Priority Order: 500
Record Change Type: CHANGE
Record Content Type: 1
Associated Filing Identifier:

SCHEDULE 12 FERC ASSESSMENT CHARGE

1. INTRODUCTION

As a public utility, the Transmission Provider is subject to annual charges assessed by the Commission, pursuant to Part 382 of its regulations (the “FERC Assessment”). For each public utility, such assessment is based on the actual megawatt-hours of energy transmitted in interstate commerce during a calendar year, as reported on FERC Form 582. This Schedule 12 provides for recovery of the estimated amount to be assessed by the Commission in the next year for transmission service provided in the current year, with subsequent true-up to actual cost, when such cost is known.

2. APPLICABILITY

Except as provided herein, this charge shall apply to energy delivered under Point-To-Point Transmission Service and Network Integration Transmission Service and to energy delivered to Bundled Retail and Grandfathered Loads to which Section 39.1 of this Tariff applies. Pursuant to 18 C.F.R § 382.201(a), the calculation of the FERC Assessment does not include the costs of regulating the Federal Power Marketing Agencies. Therefore, charges under this Schedule 12 shall not be assessed with respect to transmission service provided to Western-UGP for its Statutory Load Obligations.

3. RATE CHARGED

The charge factor developed by the Commission in the prior calendar year and applied to energy transmitted in the second prior calendar year shall be applied monthly to all energy

delivered under Point-To-Point Transmission Service, Network Integration Transmission Service, and to all energy delivered to Bundled Retail and Grandfathered Loads to which Section 39.1 applies in that month.

Transmission Provider shall also include in its bills a True-Up Rate. The True-Up Rate shall be the amount of the Commission assessment billed to the Transmission Provider less the total revenue collected by the Transmission Provider under this Schedule 12 for the second prior year, divided by estimated energy to be transmitted during the current year for all energy delivered under Point-To-Point Transmission Service, Network Integration Transmission Service, and to all energy delivered to Bundled Retail and Grandfathered Loads to which Section 39.1 applies. For the first two years that this FERC Assessment Charge is effective, the True-Up rate shall be zero.

4. BILLING

Transmission Provider shall bill Transmission Customers and Transmission Owners covered by Section 39.1 the charges specified under this Schedule in accordance with the procedures in Section 7 of this Tariff.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment H, Attachment H Annual Transmission Revenue Requirement For ..., 30.0.0, A

Record Narrative Name: Attachment H Annual Transmission Revenue Requirement For Network Integration Transmission Service

Tariff Record ID: 306

Tariff Record Collation Value: 279071920 Tariff Record Parent Identifier: 0

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

ATTACHMENT H ANNUAL TRANSMISSION REVENUE REQUIREMENT FOR NETWORK INTEGRATION TRANSMISSION SERVICE

SECTION I: General Requirements

1. The Zonal Annual Transmission Revenue Requirement ("Zonal ATRR") for each Transmission Owner for purposes of determining the charges under Schedule 9, Network Integration Transmission Service, is specified in Column (3) Section I, of Table 1. The

Base Plan Zonal Annual Transmission Revenue Requirement (“Base Plan Zonal ATRR”) used to determine the zonal charges under Schedule 11 for Base Plan Upgrades issued a Notification to Construct (“NTC”) prior to June 19, 2010 is specified in Column (4) Section I, of Table 1. The Base Plan Zonal ATRR used to determine the zonal charges under Schedule 11 for Base Plan Upgrades issued an NTC on or after June 19, 2010 is specified in Column (5) of Section I, Table 1. The amount of Zonal ATRR and Base Plan Zonal ATRR that is included in Columns (3), (4), (5), and (7) and reallocated to the Region-wide Annual Transmission Revenue Requirement (“Region-wide ATRR”), in accordance with Attachment J, is specified in Column (6) of Section I, Table 1. The Base Plan Zonal ATRR to pay Upgrade Sponsors in accordance with Attachment Z2 is specified in Column (7) of Section I, Table 1.

Table 1
(See Note A below)

(1) Zone	(2)	(3) Zonal ATRR	(4) Base Plan Zonal ATRR	(5) Base Plan Zonal ATRR after June 19, 2010	(6) ATRR Reallocated to Balanced Portfolio Region-wide e ATRR	(7) Base Plan Zonal ATRR to pay Upgrade Sponsors
1	American Electric Power –West (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
1a	American Electric Power (Public Service Company of Oklahoma and Southwestern Electric Power Company) See Section II.3	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File			
1b	East Texas Electric Cooperative, Inc.	\$2,733,879				
1c	Tex-La Electric Cooperative of Texas, Inc.	\$588,874				
1d	Deep East Texas Electric	\$428,131				

	Cooperative, Inc.					
1e	Oklahoma Municipal Power Authority	\$748,647				
1f	AEP West Transmission Companies (AEP Oklahoma Transmission Company, Inc and AEP Southwestern Transmission Company, Inc)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
1g	Coffeyville Municipal Light and Power (CMLP)	\$391,790	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
2	Reserved for Future Use					
3	City Utilities of Springfield, Missouri	\$8,651,509	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
4	Empire District Electric Company	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
5	Grand River Dam Authority	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
6	Kansas City Power & Light Company	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
7	Oklahoma Gas and Electric (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
7a	Oklahoma Gas and Electric	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
7b	Oklahoma Municipal Power Authority	\$368,501	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
8	Midwest Energy, Inc.	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File

9	KCP&L Greater Missouri Operations Company (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
9a	KCP&L Greater Missouri Operations Company	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
9b	Transource Missouri, LLC	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
10	Southwestern Power Administration	\$15,533,800	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
11	Southwestern Public Service Company (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
11a	Southwestern Public Service Company	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
11b	Tri-County Electric Cooperative	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
11c	Lea County Electric Cooperative, Inc.	\$388,000	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
12	Sunflower Electric Power Corporation	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
13	Western Farmers Electric Cooperative	\$20,719,639	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
14	Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy) (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
14a	Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
14b	Prairie Wind Transmission, LLC.	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File

14c	Kansas Power Pool	\$350,243	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
15	Mid-Kansas Electric Company (Total)	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
15a	Mid-Kansas Electric Company	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
15b	ITC Great Plains	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
15c	Prairie Wind Transmission, LLC.	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
16	Lincoln Electric System	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
17	Nebraska Public Power District	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
18	Omaha Public Power District	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
19	Upper Missouri Zone – Total	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
19a	Western-UGP	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
19b	Basin Electric Power Cooperative	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
19c	Heartland Consumers Power District	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File	See Att. H tab, posted RRR File
20	Total				See Att. H tab, posted RRR File	See Att. H tab, posted RRR File

Note A: The Annual Transmission Revenue Requirements (“ATRR”) for each Zone are set

forth
in the Revenue Requirements and Rates File (“RRR File”) posted on the SPP website.

2. Table 2-A specifies the Region-wide ATRR for Network Upgrades needed prior to October 1, 2015 and Table 2-B specifies the Region-wide ATRR for Network Upgrades needed on or after October 1, 2015. The Region-wide ATRR, shown in Line 8 of Section I, Table 2-A, shall be the sum of (i) the Base Plan Region-wide Annual Transmission Revenue Requirements (“Base Plan Region-wide ATRR”) (reflected in Line 1 and Line 2), (ii) the total Balanced Portfolio Region-wide Annual Transmission Revenue Requirements (“Balanced Portfolio Region-wide ATRR”) (reflected in Line 3 and Line 4), (iii) for transmission service beginning prior to October 1, 2015, the Base Plan Region-wide ATRR to pay Upgrade Sponsors as determined in accordance with Attachment Z2 of this Tariff (reflected in Line 5), *and (iv) the Interregional Planning Region Annual Transmission Revenue Requirements (“Interregional Planning Region ATRR”) allocable to customers receiving transmission service under this Tariff for any Interregional Project(s) constructed within the SPP Region (Line 6) and/or within other Interregional Planning Regions (Line 7).*

The Region-wide ATRR shown in Line 6 of Section I, Table 2-B, shall be the sum of (i) the Base Plan Region-wide ATRR (reflected in Line 1 and Line 2), (ii) the total Balanced Portfolio Region-wide ATRR (reflected in Line 3 and Line 4) and (iii) for transmission service beginning on or after October 1, 2015, the Base Plan Region-wide ATRR to pay Upgrade Sponsors as determined in accordance with Attachment Z2 of this Tariff (reflected in Line 5).

As described in Schedule 11, the Region-wide Charges for Zones 1 through 18 shall be based upon Line 6 of Table 2-A and Line 6 of Table 2-B. The Region-wide Charges for Zone 19 shall be based upon Line 6 of Table 2-B.

Table 2-A
(See Note B below)

1	Base Plan Region-wide ATRR (NTC prior to June 19, 2010)	See Att. H tab, posted RRR File
2	Base Plan Region-wide ATRR (NTC on or after June 19, 2010)	See Att. H tab, posted RRR File
3	Total ATRR reallocated to Balanced Portfolio Region-wide ATRR from Column (6), Section I, Table 1	See Att. H tab, posted RRR File
4	Balanced Portfolio Region-wide ATRR	See Att. H tab, posted RRR File
5	Base Plan Region-wide ATRR to pay Upgrade Sponsors	See Att. H tab, posted RRR File
6	<i>SPP Interregional Planning Region ATRR</i>	<i>See Att. H tab, posted RRR File</i>
7	<i>Other Interregional Planning Region ATRR</i>	<i>See Att. H tab, posted RRR File</i>
8	Region-wide ATRR (<i>Sum of Lines 1 through 7</i>)	See Att. H tab, posted RRR File

Table 2-B
(See Note B below)

1	Base Plan Region-wide ATRR (NTC prior to June 19, 2010)	\$0
2	Base Plan Region-wide ATRR (NTC on or after June 19, 2010)	See Att. H tab, posted RRR File
3	Total ATRR reallocated to Balanced Portfolio Region-wide ATRR from Column (6), Section I, Table 1	See Att. H tab, posted RRR File
4	Balanced Portfolio Region-wide ATRR	See Att. H tab, posted RRR File
5	Base Plan Region-wide ATRR to pay Upgrade Sponsors	See Att. H tab, posted RRR File
6	Region-wide ATRR (Line 1 + Line 2 + Line 3 + Line 4 + Line 5)	See Att. H tab, posted RRR File

Note B: The Region-wide ATRRs are set forth in the RRR File posted on the SPP website.

3. A Transmission Owner's revenue requirement referenced or stated in this Attachment H shall not be changed absent a filing with the Commission, accompanied by all necessary cost support, unless such Transmission Owner utilizes Commission-approved formula rate processes contained in this Tariff to determine its revenue requirements.
4. A new or amended revenue requirement referenced or stated in this Attachment H shall

not be filed with the Commission by the Transmission Provider unless such revenue requirements have been provided by or for a Transmission Owner. Such revenue requirements shall have been accepted or approved by the applicable regulatory or governing authority except in the event of a simultaneous filing with the Commission by the Transmission Owner and Transmission Provider.

5. If a Transmission Owner has a Commission-approved formula rate, the successful completion of its approved annual formula rate update procedures shall constitute regulatory acceptance sufficient to authorize the Transmission Provider to update that Transmission Owner's revenue requirements posted on the SPP website. Such update by the Transmission Provider shall not require a filing with the Commission, provided that the Transmission Owner posts the populated formula rate for public review and comment as required under the applicable protocols and/or procedures contained in this Attachment H. The Transmission Provider shall follow any special procedures related to updating a Transmission Owner's revenue requirements as outlined in Section II of this Attachment.
6. The Transmission Provider shall allocate the accepted or approved revenue requirement associated with a Base Plan Upgrade, in accordance with Attachment J to this Tariff, to the Base Plan Region-wide ATRRs in Section I, Table 2-A and Table 2-B above and to the appropriate Base Plan Zonal ATRR in Column (4) or (5) in Section I, Table 1.

SECTION II: Transmission Owner-Specific Requirements

1. Westar Energy, Inc.

For Westar Energy, Inc., the ATRR for purposes of the Network Integration Transmission Service shall be calculated using the rate formula set forth in Attachment H Addendum 3 of this Tariff ("Westar Formula Rate"). The results of the formula calculation shall be posted on the Transmission Provider's website and in an accessible location on Westar's OASIS website by October 15 of each calendar year and shall be effective on January 1 of the following year. The Zonal Revenue Requirement to be used for the Westar zone, Column (3) of Section I, Table 1 of this Attachment H, shall be calculated by taking the SPP Zonal Revenue Requirement as identified on the Projected Net Revenue Requirements page, line 10 of the Westar Formula Rate; less the sum of the current year's revenue requirement associated with all transmission facilities owned

by Westar in other pricing zones when such revenue requirements are included in the revenue requirements specified in the Westar Formula Rate on the Projected Net Revenue Requirements page, line 10; plus the previous calendar year's total firm Point-To-Point transmission revenue allocated to Westar under Attachment L provided such Point-to-Point transmission revenue is deducted from Westar's ATRR under Section 34.1 of this Tariff.

The revenue requirements for Base Plan Funded projects owned by Westar shall be the amount contained on the Projected Net Revenue Requirements page, line 9 of the Westar Formula Rate.

The revenue requirements for Balanced Portfolio funded projects owned by Westar shall be the amount contained on the Projected Net Revenue Requirements page, line 9a of the Westar Formula Rate. Following its posting of the updated revenue requirements by October 15 of each calendar year as discussed above, the Transmission Provider shall immediately update the various Base Plan and Balanced Portfolio funded costs and allocations contained in the Tariff and file them with the Commission no later than December 15 of each calendar year with a requested effective date of January 1.

2. Southwestern Public Service Company

For Southwestern Public Service Company ("SPS"), the Existing Zonal ATRR for Zone 11 in Column (3), of Section I, Table 1 of this Attachment H shall be calculated using: (1) the formula rate as specified in Attachment O – SPS of the Xcel Energy Operating Companies Joint Open Access Transmission Tariff ("Xcel Energy OATT"), (2) will be equal to the Current Year Revenue Requirement with True Up as specified on line 6, page 1 of Attachment O – SPS of the Xcel Energy OATT, (3) and subject to the Implementation Procedures in Appendix 1 of Attachment O – SPS of the Xcel Energy OATT. The results of the formula calculation shall be posted on the SPP website and in an accessible location on SPS's OASIS website by October 1 of each calendar year and shall be effective on January 1 of the following year. The Existing Zonal ATRR for Zone 11, in Column (3), Section I, Table 1 of this Attachment H shall not be subject to

adjustment pursuant to section 34.1 for the previous calendar year's total firm Point-to-Point transmission revenue allocated to SPS under Attachment L when determining the monthly zonal Demand Charge for Zone 11.

3. American Electric Power

The American Electric Power ATRR for purposes of the Network Integrated Transmission Service shall be (i) calculated using the formula rate set forth in Addendum 1 to this Attachment H, (ii) posted on the SPP website by May 25 of each calendar year, and (iii) effective on July 1 of such year.

4. Nebraska Public Power District: Formula Rate Implementation Protocols and Formula Rate Template

Section 1. Annual Updates

The Formula Rate Template set forth in Addendum 7 and these Formula Rate Implementation Protocols ("Protocols") together comprise the filed rate by Southwest Power Pool ("SPP") for calculating Nebraska Public Power District's ("NPPD") Zonal ATRR for Transmission Service under the SPP OATT. NPPD must follow the instructions specified in the Formula Rate Template to calculate the rates for NITS, the rates for Schedule 1 Service, the rates for Point-to-Point services over facilities in SPP Zone 17 and the ATRR for Base Plan Upgrades and other network upgrades.

The initial Zonal ATRR and the initial rates will be in effect for a partial year from the effective date of NPPD's transfer of operational control of its transmission facilities to SPP until December 31, 2009. The Formula Rate shall be recalculated each year with the resulting rates to become effective on and after January 1 of each year through December 31 of such year. The resulting rates implemented each January 1 will be subject to review and true-up as further provided in the Protocols.

No later than September 1, 2009 and September 1 of each year thereafter, NPPD, upon initial approval of NPPD's Board of Directors, shall determine its projected Zonal ATRR, and resulting rates for the following calendar year, in accordance with the Protocols and the Formula Rate Template of Addendum 7 of this Attachment H. NPPD will post such determination on its website and will send such determination to SPP for posting on the publicly accessible portion of the SPP website. Contemporaneously, NPPD shall provide notice to its wholesale customers and interested parties of its projected Zonal ATRR and resultant rates, including all inputs in sufficient detail to identify the components of NPPD's Zonal ATRR. Commencing September 1 of each year, such parties may submit written questions and answers will be provided by NPPD within ten (10) business days. NPPD will post on the NPPD website responses to any such inquiries and information regarding frequently asked questions. No later than September 30 of each year, NPPD will hold a meeting with wholesale customers and interested parties to explain the formula rate input projections and provide an opportunity for oral and written comments. Written comments must be submitted no later than October 30. No later than December 15 of each year, NPPD will provide to SPP for posting on the publicly accessible portion of the SPP website NPPD's final Zonal ATRR and resulting rates to become effective January 1 of the following calendar year.

Section 2. True-Up Adjustments

On or before June 1, 2010 and on or before June 1 of each year thereafter, NPPD will calculate the True-Up Adjustment with supporting data inputs in sufficient detail to identify the projected and actual cost of each element of NPPD's Zonal ATRR and actual revenues. NPPD will reflect the True-Up Adjustment as a line item in its Zonal ATRR noticed on September 1, 2010 and in the ATRR noticed on September 1 of each year thereafter. The True-Up Adjustment will be determined in the following manner:

- (1) Actual transmission revenues associated with transactions included in the Divisor of the Formula Rate Template for the previous calendar year will be compared to the Actual Zonal ATRR. The Actual Zonal ATRR shall be calculated in accordance with the Formula Rate Template and actual data for the previous year. For each year, NPPD will complete and make available for review, on its website, actual data as recorded in accordance with FERC's Uniform System of Accounts, including an affidavit of the Chief Financial Officer of NPPD attesting to the accuracy of the cost and revenue data set forth therein. In addition, NPPD shall provide an explanation of any change in accounting policies and practices that NPPD employed during the preceding twelve-month period that affect transmission accounts or the allocation of common costs to transmission. Actual costs incurred during the applicable calendar year will be compared to actual revenues recovered during such period to determine whether there was any under-recovery or over-recovery. The True-Up Adjustment and related calculations shall be posted no later than June 1 on NPPD's website and on the publicly accessible portion of the SPP website. Commencing June 1 of each year, any interested party may submit written questions and answers will be provided by NPPD within ten (10) business days. NPPD will post on the NPPD website responses to any such inquiries and information regarding frequently asked questions. Written comments must be submitted no later than July 15 of each year. NPPD will post on the NPPD website the final True-Up Adjustment no later than September 1 of each year.
- (2) Interest on any over-recovery or under-recovery of the Zonal ATRR shall be based on the interest rate equal to NPPD's actual short-term debt costs, capped at the applicable interest rate set forth in 18 C.F.R. §35.19a of the Commission's regulations. The interest rate equal to NPPD's actual short-term debt costs shall be calculated in accordance with Worksheet K to the Formula Rate Template.
- (3) The Zonal ATRR for transmission services for the following year shall be the sum of the projected Zonal ATRR for the following year and a True-Up Adjustment

for the previous year, including interest as explained above.

Section 3. NPPD Formula Rate Blank Template

NPPD's Formula Rate Template to be used for calculating the Zonal ATRR and NITS rates, Schedule 1 rates, Point-to-Point rates, ATRR Base Plan Upgrade and other network upgrades set forth in Attachment H – Addendum 7. The provisions of such Formula Rate Template are not subject to changes except through a filing under Section 205 or 206 of the Federal Power Act.

5. Omaha Public Power District

For the Omaha Public Power District (“OPPD”), the ATRR for purposes of the Network Integration Transmission Service, Base Plan Upgrades, Scheduling, System Control, and Dispatch Service, and for the determination of Point-to-Point rates shall be calculated using the Formula-based Rate Template set forth in Attachment H - Addendum 8 of this Tariff. The ATRR and rates calculated pursuant to the formula-based rate template shall be revised annually. The results of such annual calculations shall be posted on OPPD's OASIS website and in a publically accessible location on the Transmission Provider's website by May 15 of each calendar year. Written comments will be accepted until June 15 and the annual revenue requirement and rates shall become effective from August 1 of such year through July 31 of the following year. Initially, the rates calculated pursuant to the formula-based rate template and incorporated into this SPP OATT will be in place through July 31, 2009.

6. Lincoln Electric System

For the Lincoln Electric System (“LES”), ATRR of Network Integration Transmission Service, Base Plan Upgrades, Scheduling, System Control and Dispatch Service, and for the determination of Point-to-Point rates shall be calculated using the forward-looking Formula Rate Template set forth in Attachment H - Addendum 6 of this Tariff. The ATRR and rates calculated pursuant to the forward-looking formula rate template shall be

revised annually. The results of such annual calculations shall be posted on LES' public page of the SPP OASIS website by October 31 of each calendar year. Customers will be given an opportunity to ask questions by November 30 and to seek information regarding the calculations. Written comments will be accepted until November 15. The annual revenue requirement and rates derived therefrom shall become effective from January 1 through December 31 of the following year. Initially, the rates calculated pursuant to the historical formula based rate template and incorporated into this SPP OATT will be in place through December 31, 2012. Rates calculated pursuant to the forward-looking formula rate template and incorporated into this SPP OATT will be in place through December 31, 2013.

1. Actual Net Revenue Requirement (calculated in accordance with page 1, line 7 of Attachment H, Addendum 6) for the previous year shall be compared to the projections made for that same year (True-Up Year) to determine any excess or shortfall in the projected revenue requirement that was used for billing purposes in the True-Up Year. In addition, actual divisor loads (based on a 12 CP average) will be compared to projected divisor loads (page 1, line 10 of Attachment H, Addendum 6) and the difference multiplied by the rate actually billed to determine any excess or shortfall in collection due to volume. The sum of the excess or shortfall due to the actual versus projected revenue requirement and the excess or shortfall due to volume shall constitute the True-up Adjustment. The True-up Adjustment and related calculations shall be posted to the Transmission Provider's public webpage of the SPP OASIS website no later than June 1. LES will provide an explanation of the True-up Adjustment in response to customer inquiries and will post on its public page of the SPP OASIS website information regarding frequently asked questions.
2. Interest on any over recovery of the net revenue requirement or any over recovery due to volume changes shall be determined based on the Commission's regulation at 18 C.F.R. § 35.19a. Interest on any under recovery of the net revenue requirement or any under recovery due to volume

changes shall be determined using the interest rate equal to LES's actual short-term debt costs capped at the applicable FERC refund interest rate. In either case, the interest payable shall be calculated using an average interest rate for the twenty-four (24) months during which the over or under recovery in the revenue requirement or volume changes exists. The interest rate to be applied to the over or under recovery amounts will be determined using the average rate for the nineteen (19) months preceding August of the current year. The interest amount (page 1, line 6e of Attachment H, Addendum 6) will be included in the projected costs made available October 31.

3. The Net Revenue Requirement for transmission services for the following year shall be the sum of the projected revenue requirement for the following year (page 1, line 1 of Attachment H, Addendum 6) minus Total Transmission Revenue Credits (page 1, line 5 of Attachment H, Addendum 6), plus or minus the True-up Adjustment (page 1, line 6c minus line 6d plus line 6e of Attachment H, Addendum 6) from the previous year, if any, including interest, as explained.
4. Example True-up of 2012 Net Revenue Requirement
 - 2012 Projected Net Revenue Requirement was \$20,000,000, projected load was 500,000 kW and the resulting rate was \$40.0000 per kW-year.
 - 2012 Actual Net Revenue Requirement was \$19,500,000, actual 12 CP load was 475,000 kW resulting in a rate of \$41.0526 per kW-year.
5. True-Up Calculation
 - There is an over recovery of the net revenue requirement equal to \$500,000 ($\$20,000,00 - \$19,500,000 = \$500,000$).
 - There is a \$1,000,000 shortfall in revenue collection due to volume ($((500,000 \text{ kW} - 475,000 \text{ kW}) \times \$40.00 \text{ per kW-year} = \$1,000,000)$).
 - The total True-up Adjustment amount would be a net under recovery of \$500,000 ($\$500,000 \text{ (over recovery)} - \$1,000,000 \text{ (shortfall)} = -\$500,000 \text{ (shortfall)}$).
6. Interest on True-up Adjustment

Interest will be applied to the True-up Adjustment for the twenty-four (24)

months during which the under recovery existed, from January 1, 2012 through December 31, 2013. The interest rate applied will be Lincoln Electric System's average monthly short-term debt interest rate, capped at the FERC refund interest rate, in effect January 1, 2012 through July 31, 2013.

7. Informational Posting

Lincoln Electric System will post all information relating to the True-up Adjustment no later than June 1, 2014, affording interested parties at least seven months to review these calculations in advance of the related January 1 rate change. LES will provide an explanation of the True-up Adjustment amounts in response to customer inquiries and will post on the OASIS information regarding frequently asked questions. This True-up Adjustment with interest will be included in the projected 2015 net revenue requirement and estimated rates will be made available to customers by October 31, 2014. New rates will take effect on January 1, 2015.

7. Mid-Kansas Electric Company, LLC

No changes to the ratios used to establish rates pursuant to Addendum 19 of this Attachment H will take effect unless accepted for approval by the FERC pursuant to the Federal Power Act.

8. Sunflower Electric Power Corporation

No changes to the ratios used to establish rates pursuant to Addendum 20 of this Attachment H will take effect unless accepted for approval by the FERC pursuant to the Federal Power Act.

Record Change Type: CHANGE
Record Content Type: 1
Associated Filing Identifier:

III. Base Plan Upgrades

A single Base Plan Upgrade is comprised of any upgrade or group of upgrades required to be made to a single transmission circuit, where a transmission circuit is comprised of all load carrying elements between circuit breakers or the comparable switching devices. A load carrying element within a Base Plan Upgrade that is connected at two different voltage levels (e.g. a 345kV/138kV transformer) shall, for the purposes of this Attachment J, be considered to have a nominal operating voltage of its lower voltage level (excluding any tertiary windings) and its costs shall be allocated in accordance with the rules governing the lower voltage level in this Attachment J. A waiver may be requested to use a transformer's higher voltage level instead of the lower voltage level for the purposes of cost allocation under this Attachment J based on the anticipated utilization of the transformer. Such request must be made in writing with supporting analysis and submitted to the Transmission Provider not later than one hundred eighty (180) days following the inclusion of the transformer in an approved SPP Transmission Expansion Plan. Any waiver request submitted shall be evaluated based upon the following general factors, including but not limited to: (i) whether the power flows through the transformer predominately are from the lower voltage to the higher voltage; (ii) whether the transformer is not necessary for the support of, or does not substantially benefit, the lower voltage system in the host zone to which it is connected. The Transmission Provider shall make a recommendation to accept or deny the waiver, on a non-discriminatory basis, to the Markets and Operations Policy Committee. The Markets and Operations Policy Committee will consider the waiver request and the Transmission Provider's recommendation, and will provide its own recommendation (along with the Transmission Provider's recommendation) regarding such waiver to the SPP Board of Directors. Barring unusual circumstances, the recommendation to approve or reject such waiver request will be submitted to the SPP Board of Directors within one hundred twenty (120) days following the receipt of the waiver request.

A. Allocation of Base Plan Upgrade Costs Eligible for Cost Allocation

1. If the cost of a Base Plan Upgrade is less than or equal to \$100,000, the annual transmission revenue requirement associated with such Base Plan Upgrade shall be allocated to the Base Plan Zonal Annual Transmission

Revenue Requirement of the Zone in which the Base Plan Upgrade is located.

2. Other than Base Plan Upgrades allocable under Section III.A.1, if a) the Base Plan Upgrade is included in and constructed pursuant to the SPP Transmission Expansion Plan in order to ensure the reliability of the Transmission System; b) is included in Schedule 2 of this Attachment J; c) is an approved high priority upgrade; or d) is a Base Plan Upgrade cost eligible for cost allocation under Section III.B.1 and is not associated with a new or changed Designated Resource for a wind generation plant, then:
 - i. X% of the annual transmission revenue requirement associated with such Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Region-wide Annual Transmission Revenue Requirement and recovered through the Region-wide Charge, where X shall be set as follows:
 - a. For all Base Plan Upgrades issued a Notification to Construct prior to June 19, 2010 or whose nominal operating voltage level is less than 300 kV but greater than 100 kV, X shall be 33%.
 - b. For all other Base Plan Upgrades whose nominal operating voltage level is greater than or equal to 300 kV, X shall be 100%.
 - c. For all other Base Plan Upgrades whose nominal operating voltage level is less than or equal to 100 kV, X shall be 0%.
 - ii. (100-X)% of the annual transmission revenue requirement associated with such Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Zonal Annual Transmission Revenue Requirement and recovered through the Base Plan Zonal Charge as follows:
 - a. For Base Plan Upgrades issued a Notification to Construct prior to June 19, 2010, this portion of the annual transmission revenue requirement for Base Plan Upgrade

costs eligible for cost allocation shall be allocated to the Base Plan Zonal Annual Transmission Revenue Requirement of specific Zones based on the Zones' share of the incremental positive MW-mile benefits as computed in Section 4 of Attachment S to this Tariff. Each Zone with a benefit of at least 10 MW-miles from a given Base Plan Upgrade shall be allocated a portion of the Base Plan Zonal Annual Transmission Revenue Requirement for such upgrade based on its incremental positive MW-mile benefit divided by the sum of the incremental positive MW-mile benefits for all of those Zones with a benefit of at least 10 MW-miles from the upgrade, provided that such allocation represents an engineering and construction cost of at least \$100,000.

- b. For all other Base Plan Upgrades, this portion of the annual transmission revenue requirement for Base Plan Upgrade costs eligible for cost allocation shall be allocated solely to the Base Plan Zonal Annual Transmission Revenue Requirement of the Zone in which the Base Plan Upgrade is located.

- 3. If the Base Plan Upgrade cost eligible for cost allocation under Section III.B.1 of Attachment J is a) associated with a new or changed Designated Resource that is a wind generation plant and b) the Base Plan Upgrade is located within the same zone as the Transmission Customer's Point of Delivery, then:

- i. X% of the annual transmission revenue requirement associated with the portion of the Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Region-wide Annual Transmission Revenue Requirement and recovered through the Base Plan Region-wide Charge, where X shall be set as follows:

- a. For Base Plan Upgrades issued a Notification to Construct

prior to June 19, 2010 or whose nominal operating voltage level is less than 300 kV and greater than 100 kV, X shall be 33%.

- b. For all other Base Plan Upgrades whose nominal operating voltage level is greater than or equal to 300 kV, X shall be 100%.
 - c. For all other Base Plan Upgrades whose nominal operating voltage level is less than or equal to 100 kV, X shall be 0%.
- ii. $(100-X)\%$ of the annual transmission revenue requirement associated with the portion of the Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Zonal Annual Transmission Revenue Requirement and recovered through the Base Plan Zonal Charge as follows:
 - a. For Base Plan Upgrades issued a Notification to Construct prior to June 19, 2010, this portion of the annual transmission revenue requirement for Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Zonal Annual Transmission Revenue Requirement of specific Zones based on the Zones' share of the incremental positive MW-mile benefits as computed in Section 4 of Attachment S to this Tariff. Each Zone with a benefit of at least 10 MW-miles from a given Base Plan Upgrade shall be allocated a portion of the Base Plan Zonal Annual Transmission Revenue Requirement for such upgrade based on its incremental positive MW-mile benefit divided by the sum of the incremental positive MW-mile benefits for all of those Zones with a benefit of at least 10 MW-miles from the upgrade, provided that such allocation represents an engineering and construction cost of at least \$100,000.
 - b. For all other Base Plan Upgrades, this portion of the annual

transmission revenue requirement for Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Zonal Annual Transmission Revenue Requirement of the Zone in which the Base Plan Upgrade is located.

4. If the Base Plan Upgrade cost eligible for cost allocation under Section III.B.1 of Attachment J is a) associated with a new or changed Designated Resource that is a wind generation plant and b) the Base Plan Upgrade is located within a zone(s) other than the Transmission Customer's Point of Delivery, then:
 - i. Y% of the annual transmission revenue requirement associated with the Base Plan Upgrade costs eligible for cost allocation shall be allocated to the Base Plan Region-wide Annual Transmission Revenue Requirement and recovered through the Base Plan Region-wide Charge, where Y shall be set as follows:
 - a. For Base Plan Upgrades issued a Notification to Construct prior to June 19, 2010 or whose nominal operating voltage level is less than 300 kV, Y shall be 67%.
 - b. For all other Base Plan Upgrades Y shall be 100%.
 - ii. (100-Y)% of the annual transmission revenue requirement associated with the Base Plan Upgrade costs eligible for cost allocation shall be directly assigned to the Transmission Customer.

B. Conditions for Classifying Service Upgrade Costs Associated with Designated Resources As Base Plan Upgrade Costs Eligible for Cost Allocation

1. Except as provided in Section III.A.1 and subject to the limits and rules set forth in Subsections d and f below, the costs of Service Upgrades associated with new or changed Designated Resources shall be classified as Base Plan Upgrade costs eligible for cost allocation if the conditions in the following Subsections a and b are met, and if the condition in Subsection c is met as applicable.

- a. The Transmission Customer's commitment to the Designated Resource has a duration of at least five years
- b. In the first year the Designated Resource is planned to be used by the Transmission Customer, the accredited capacity of the Transmission Customer's existing Designated Resources plus the lesser of: (a) the planned maximum net dependable capacity applicable to the Transmission Customer or (b) the requested capacity; shall not exceed 125% of the Transmission Customer's projected system peak responsibility determined pursuant to SPP Criteria 2.
- c. If the Designated Resource is a wind generation plant, then the sum of: (1) the requested capacity and (2) the transmission capacity reserved for the Transmission Customer's existing Designated Resources that are wind generation plants shall not exceed 20% of the Transmission Customer's projected system peak responsibility as determined pursuant to SPP Criteria 2 in the first year the Designated Resource is planned to be used by the Transmission Customer.
- d. Safe Harbor Cost Limit for Eligibility of the Costs of Base Plan Upgrade for Cost Allocation
 - i. For Base Plan Upgrades that cost over \$100,000, the aggregate cost of such upgrades assigned to each individual transmission service request that is less than or equal to the Safe Harbor Cost Limit of \$180,000 / MW times the requested capacity is eligible for cost allocation in accordance with:
 - 1) Section III.A.2 for a new or changed Designated Resource other than a wind generation plant; or
 - 2) Sections III.A.3 and 4 for a new or changed Designated Resource that is a wind generation plant.

- ii. Unless a waiver of the Safe Harbor Cost Limit is granted pursuant to Section III.C, any costs that exceed the Safe Harbor Cost Limit for a transmission service request shall be directly assigned to the Transmission Customer and allocated among the upgrades affected by the transmission service request in accordance with Section V.c of Attachment Z1 of this Tariff.
 - e. Base Plan Upgrade costs eligible for allocation as a result of the granting of a waiver shall be allocated in accordance with Sections III.A.2, III.A.3, or III.A.4, as applicable.
 - f. For each transmission service request, the amount of Base Plan Upgrade costs eligible for cost allocation shall be allocated among all Upgrades required to grant the transmission service request based upon the remaining cost after allocation of any Directly Assigned Upgrade Costs in accordance with Section III.B.1(d)(ii) of this Attachment J.
2. The Transmission Customer must provide the Transmission Provider the information that the Transmission Provider deems necessary to verify that the new or changed Designated Resource meets conditions in Section III.B.1.a, b and c above.
 3. If an upgrade for a new or changed Designated Resource meets the requirements set forth in Section III.B.1.a, b, and c above, the costs up to the \$180,000/MW Safe Harbor Cost Limit will be classified as Base Plan Upgrade costs eligible for cost allocation.
 4. If the conditions set forth in Section III.B.1.a, b, and c above are not met, and the Transmission Customer does not secure a waiver of the relevant condition(s), the costs of the upgrades will be directly assigned to the Transmission Customer. If the costs of upgrades associated with a new or changed Designated Resource exceeds the Safe Harbor Cost Limit and the Transmission Customer does not secure a waiver of that limit, the costs of the upgrades in excess of the limit will be directly assigned to the

Transmission Customer. The Transmission Customer shall receive transmission revenue credits in accordance with Attachment Z2 to this Tariff for any such directly assigned costs.

C. Waiver of Conditions for Classifying Service Upgrade Costs Associated with Designated Resources As Base Plan Upgrade Costs Eligible for Cost Allocation

1. Waiver Process

If one or more of the conditions in Section III.B.1.a, b, c are not met or if the Base Plan Upgrade cost exceeds the Safe Harbor Cost Limit, the Transmission Customer may seek a waiver from the Transmission Provider in order that the costs of any Service Upgrade(s) that otherwise would be directly assigned to the Transmission Customer may be classified in whole or in part as Base Plan Upgrade costs eligible for cost allocation.

To obtain a waiver for the conditions set forth in Section III.B.1.a, b, c, the Transmission Customer must submit a request for a waiver to the Transmission Provider simultaneous with its request for long-term transmission service, submitted in accordance with Attachment Z1 to this Tariff, for the new or changed Designated Resource.

Aggregate Facilities Studies performed by the Transmission Provider as part of the Aggregate Transmission Service Study procedure, which is described in Attachment Z1, will determine whether the costs for Service Upgrades associated with a new or changed Designated Resource might exceed the Safe Harbor Cost Limit. If the Transmission Provider determines that the costs for Service Upgrades associated with a new or changed Designated Resource might exceed the Safe Harbor Cost Limit, the Transmission Provider shall notify the affected Transmission Customer when the Transmission Provider posts the associated Facilities Study. The affected Transmission Customer may request a waiver regarding the costs in excess of the Safe Harbor Cost Limit within 15 days of such notice from the Transmission Provider.

Following the receipt of a request for a waiver, the Transmission Provider will review the request and make a determination on a non-discriminatory basis of

whether a waiver should be granted based upon consideration of the factors described in Section III.C.2. of this Attachment. The Transmission Customer requesting the waiver shall be responsible for the reasonable costs of any studies that the Transmission Provider performs in making its determination. The Transmission Provider will provide a report and recommendation to the Markets and Operations Policy Committee for each requested waiver. The Markets and Operations Policy Committee will consider the waiver request and the Transmission Provider's report and recommendation, and will provide its own recommendation (along with the Transmission Provider's report and recommendation) regarding each requested waiver to the SPP Board of Directors. Barring unusual circumstances, a valid waiver request will be reviewed and submitted to the SPP Board of Directors within 120 days following the receipt of the waiver request.

2. Factors to be Considered in Evaluating Waiver Requests

Any waiver request submitted by a Transmission Customer pursuant to Section III.C.1. of this Attachment shall be evaluated based upon the following general factors, including but not limited to:

- i. There are insufficient competitive resource alternatives for one or more Transmission Customers.
- ii. In the event that the aggregate costs of a Service Upgrade associated with a new or changed Designated Resource exceed the Safe Harbor Cost Limit, (i) those costs up to the level of the Safe Harbor Cost Limit shall be classified as Base Plan Upgrade costs eligible for cost allocation, and (ii) those costs that exceed the Safe Harbor Cost Limit may be classified in whole or in part as Base Plan Upgrade costs eligible for cost allocation taking into account the extent to which the duration of the Transmission Customer's commitment to the new or changed Designated Resource exceeds the five-year commitment period set forth in paragraph III.B.1. above.
- iii. The five-year commitment period for the new or changed Designated Resource may be waived if: (i) the associated Service Upgrade costs are

significantly less than the Safe Harbor Cost Limit; or (ii) the associated Service Upgrades provide benefits to other Transmission Customers that would offset in less than five years any costs allocated to them as a result of the upgrade being classified as a Base Plan Upgrade.

- iv. If a request for a waiver is received by the Transmission Provider based upon other circumstances, such waiver request shall also be considered pursuant to the waiver process described in Section III.C.1. of this Attachment.

If the costs of the Service Upgrade(s) required for a new or changed Designated Resource are not eligible for classification as Base Plan Upgrade costs, the Transmission Customer may nevertheless request the construction of such upgrades. In such event, the costs of such upgrades shall be allocated in accordance with Attachment Z1 to this Tariff.

D. Review of Base Plan Allocation Methodology

1. The Transmission Provider shall review the reasonableness of the regional allocation methodology and factors (X% and Y%) and the zonal allocation methodology at least once every three years in accordance with this Section III.D. The Transmission Provider and/or the Regional State Committee may initiate such review at any time. Any change in the regional allocation methodology and factors or the zonal allocation methodology shall be filed with the Commission.
2. For each review conducted in accordance with Section III.D.1, the Transmission Provider shall determine the cost allocation impacts of the Base Plan Upgrades with Notifications to Construct issued after June 19, 2010 to each pricing Zone within the SPP Region. The Transmission Provider in collaboration with the Regional State Committee shall determine the cost allocation impacts utilizing the analysis specified in Section III.e of Attachment O and the results produced by the analytical methods defined pursuant to Section III.D.4(i) of this Attachment J.
3. The Transmission Provider shall review the results of the cost allocation analysis with SPP's Regional Tariff Working Group, Markets and

Operations Policy Committee, and the Regional State Committee. The Transmission Provider shall publish the results of the cost allocation impact analysis and any corresponding presentations on the SPP website.

4. The Transmission Provider shall request the Regional State Committee provide its recommendations, if any, to adjust or change the costs allocated under this Attachment J if the results of the analysis show an imbalanced cost allocation in one or more Zones.
 - i) One year prior to each three-year planning cycle (starting in 2013) the Markets and Operations Policy Committee and Regional State Committee will define the analytical methods to be used to report under this Section III.D and suggest adjustments to the Regional State Committee and Board of Directors on any imbalanced zonal cost allocation in the SPP footprint; and
 - ii) Starting in 2015 and at any time thereafter, any member company that feels that it has an imbalanced cost allocation may request relief through the Markets and Operations Policy Committee. The Markets and Operations Policy Committee recommendation, if any, will be forwarded with the request for relief to the Regional State Committee and Board of Directors for review.
5. In accordance with the SPP Bylaws, the SPP Board of Directors will initiate the appropriate actions, including any necessary filings with the Commission, consistent with the Regional State Committee recommendations.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:
 Attachment J Section V, Attachment J Section V, 1.0.0, A
 Record Narrative Name: Attachment J Section V
 Tariff Record ID: 955
 Tariff Record Collation Value: 302759528 Tariff Record Parent Identifier: 408
 Proposed Date: 2015-10-01
 Priority Order: 500
 Record Change Type: CHANGE
 Record Content Type: 1
 Associated Filing Identifier:

V. Other Network Upgrades

A. Sponsored Upgrades

The Directly Assigned Upgrade Cost of a Sponsored Upgrade shall be borne voluntarily by the Project Sponsor. The Project Sponsor shall execute an Agreement for Sponsored Upgrade in which it agrees to bear these Directly Assigned Upgrade Costs. In the Agreement, the Project Sponsor shall elect to pay for the Sponsored Upgrade by (1) a lump sum payment or (2) periodic charges calculated in accordance with Commission policy (both hereafter referred to as “Project Sponsor’s Payment”). The lump sum payment option is the only eligible option for a Sponsored Upgrade to be constructed by Western-UGP. Such periodic charges shall be paid on a monthly basis over a twenty year period unless a different frequency and/or shorter term is established in the Agreement for Sponsored Upgrade. The present value of the Project Sponsor’s Payment shall equal the present value of the annual revenue requirements of the Sponsored Upgrade over a twenty year plant life. The annual revenue requirements of the Sponsored Upgrade shall be calculated by multiplying the levelized fixed charge rate of the Transmission Owner, based on full depreciation over a 20 year plant life and including operating and maintenance expenses and any applicable tax consequences, by the nondepreciated actual cost of the Sponsored Upgrade.

The Transmission Provider shall file the Agreement initially utilizing good faith estimates of the construction costs for the assigned upgrade. Upon completion of the Sponsored Upgrade, the Transmission Provider shall true up the Directly Assigned Upgrade Costs to the actual construction costs as appropriate and calculate the Project Sponsor’s Payment.

In addition, the Directly Assigned Upgrade Cost of the Sponsored Upgrade shall be reduced as provided in Section VII of this Attachment J and by any revenue credits granted to a Transmission Owner for the use of the Sponsored Upgrade.

The Project Sponsor shall receive transmission revenue credits in accordance with Attachment Z2.

B. Service Upgrades

The cost of a Service Upgrade shall be allocated in accordance with

Attachment Z1 to this Tariff. The Transmission Customer shall receive transmission revenue credits in accordance with Attachment Z2.

C. Generation Interconnection Related Network Upgrades

The cost of a generation interconnection related Network Upgrade shall be allocated in accordance with Attachment V to this Tariff. The Interconnection Customer shall receive transmission revenue credits in accordance with Attachment Z2.

D. Zonal Reliability Upgrades

1. The cost of Zonal Reliability Upgrades (i) included in the 2005 SPP Transmission Expansion Plan and (ii) placed in service prior to January 1, 2008 shall be allocated in accordance with Section III to this Attachment.
2. The cost of all other Zonal Reliability Upgrades shall be includable in the applicable Zonal Annual Transmission Revenue Requirement.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Att. J Schedule 2, Attachment J Schedule 2, 0.0.0, A

Record Narrative Name: Attachment J Schedule 2

Tariff Record ID: 1310

Tariff Record Collation Value: 307879112 Tariff Record Parent Identifier: 408

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: NEW

Record Content Type: 1

Associated Filing Identifier:

Schedule 2 to Attachment J

**Base Plan Upgrades Specifically Designated for Cost Allocation under Attachment J,
Section III.A.2**

Project		Owner	Date Needed	Voltage
345 kV Line - AVS to Charlie Creek #2	ZONE 19	BEPC	12/1/2017	345
AVS Switchyard [345 kV]	ZONE 19	BEPC	12/1/2017	345
Charlie Creek Substation [345 kV]	ZONE 19	BEPC	12/1/2017	345
230/115 kV Line (DC) - Judson Sub to Williston Sub [230 kV portion]	ZONE 19	BEPC	12/1/2017	230
345/230 kV Judson Substation	ZONE 19	BEPC	12/1/2017	230

345 kV Line - Charlie Creek Sub to Indian Hills to Judson	ZONE 19	BEPC	12/1/2017	345
230 kV Line - Tande Sub to Neset Sub	ZONE 19	BEPC	12/1/2017	230
345/230 kV Tande Substation	ZONE 19	BEPC	12/1/2017	230
345 kV Line - Judson Sub to Tande Sub	ZONE 19	BEPC	12/1/2017	345
Neset Substation [230 kV]	ZONE 19	BEPC	12/1/2017	230
Lower Brule 230 kV Sub	ZONE 19	BEPC	12/1/2016	230
Lower Brule - Witten 230 kV Line	ZONE 19	BEPC	12/1/2016	230
Communication Facilities assoc. with Lower Brule - Witten 230 kV line	ZONE 19	BEPC	12/2/2016	230

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment K Section I, Attachment K Section I, 2.0.0, A

Record Narrative Name: Attachment K Section I

Tariff Record ID: 310

Tariff Record Collation Value: 308938904 Tariff Record Parent Identifier: 309

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

I. Redispatch to Accommodate a request for Firm Transmission Service

A. Purpose

This Procedure shall apply only to entities that, when applying for Firm Point-To-Point or Network Integration Transmission Service, were told that the service could be provided only if redispatch occurs, and that agreed to pay redispatch costs. If an entity in these circumstances does not agree to pay redispatch costs, then its request for Firm Point-to-Point or Network Integration Transmission Service will be denied in whole or in part. To the extent the Transmission Provider can relieve any system constraint for Firm Point-To-Point or Network Integration Transmission Service by redispatching the generation resources of a willing Transmission Owner(s) or other willing generators, it shall do so, provided that the Eligible Customer agrees to compensate the Transmission Provider pursuant to the terms of Section 27 of this Tariff and this procedure. The procedure under this Section I is not for the purpose of sustaining non-firm service.

B. Obligations

The Transmission Provider shall arrange for the redispatch of the generation resources of the Transmission Owner(s) or other willing generators for the stated purpose. As a condition precedent to receiving Firm Point-to-Point or Network Integration Transmission Service, a

Transmission Customer agrees to pay (1) the applicable Transmission Service charges described in Schedules 1 through 11; and (2) the actual redispatch cost necessary to relieve transmission constraints. To the extent practical, the redispatch of all such resources shall be on a least cost basis. The total charges to be paid by the Transmission Customer under this Tariff shall not exceed the total charges the Transmission Customer would have paid under the Transmission Service Tariffs of the Transmission Owners for the Transmission Service in the same amount from the same Point of Receipt to the same Point of Delivery unless any additional charges to the Transmission Customer are permitted by Commission policy.

C. Assessment Process

Upon receipt of an Application for Firm Point-to-Point or Network Integration Transmission Service, the Transmission Provider shall make a determination of the availability of the requested Firm Transmission Service. The Transmission Provider's Security Coordination Center will identify transmission constraints utilizing generally accepted power system analysis techniques. Where the requested Firm Transmission Service is determined to be not fully available because of transmission constraints, then the Transmission Provider will assess the need for redispatch of generation.

The procedure to be implemented is as follows:

1. Determine the available transmission capacity for the requested Firm Transmission Service utilizing a load flow computer simulation of the transmission system recognizing all firm uses of the system.
2. Determine the owned generation resources of the Transmission Owners or others that will relieve the transmission constraint and the amount of transmission capacity available through redispatch.
3. The Transmission Provider shall inform the Eligible Customer if the Transmission Provider concludes that redispatch can sustain the requested Firm Transmission Service.
4. Any disputes as to compensation for service under this Tariff shall go to dispute resolution in accord with the provisions of this Tariff.

D. Redispatch Costs

If redispatch services are provided pursuant to this Attachment K, the Transmission Provider will in good faith attempt to relieve the constraint through operation of the Energy and Operating Reserve Markets described in Attachment AE. Costs associated with redispatch services shall

be collected and paid in accordance with the Energy and Operating Reserve Markets settlement procedures described in Attachment AE.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:
Attachment L Section II, Attachment L Section II, 2.0.0, A
Record Narrative Name: Attachment L Section II
Tariff Record ID: 322
Tariff Record Collation Value: 315118280 Tariff Record Parent Identifier: 320
Proposed Date: 2015-10-01
Priority Order: 500
Record Change Type: CHANGE
Record Content Type: 1
Associated Filing Identifier:

II. Distribution Of Transmission Service Revenues Associated With The Zonal Annual Transmission Revenue Requirement

Transmission service revenues associated with the Zonal Annual Transmission Revenue Requirement shall be distributed in accordance with the following:

A. Grandfathered Agreements

Except by mutual agreement of the Parties to Grandfathered Agreements, the Transmission Provider shall have no claim to the revenues collected under such agreements, and shall not collect or allocate any revenues for transmission service related to such transactions. The Transmission Owner providing the transmission service under the Grandfathered Agreements, therefore, will continue to receive payment directly from the customer under the Grandfathered Agreement. Nothing herein is intended to supersede or otherwise affect rights that any party to a Grandfathered Agreement may have with respect to termination of the Grandfathered Agreement. In the event that a Grandfathered Agreement remains in effect between or among two or more Transmission Owners in a multi-owner Zone other than Zone 1, the associated charges and revenues will be treated as set forth in Section II.B.2(b) below for purposes of determining the appropriate distribution of revenues among the Transmission Owners in that Zone.

B. Revenue Distribution – Network Integration Transmission Service

1. Single-Owner Zones

Where there is only one Transmission Owner in a Zone, revenues associated with facilities with a Zonal Annual Transmission Revenue Requirement shall be distributed as follows:

(a) Except to the extent required under paragraph II.B.1(b) of this Attachment L, revenues collected by the Transmission Provider under Schedule 9 in connection with the provision of Network Integration Transmission Service shall be distributed to the Transmission Owner in the Zone where the Network Load is located.

(b) When a Network Customer has designated Network Load not physically interconnected with the Transmission System under Section 31.3 of the Tariff, revenues collected by the Transmission Provider for Network Integration Transmission Service for that portion of the Network Customer's Network Load shall be distributed among Transmission Owners on the same basis as the revenues collected in connection with the provision of Point-To-Point Transmission Service.

2. Multi-Owner Zones

When more than one Transmission Owner within a single Zone has established its owner-specific zonal annual revenue requirement ("OZRR"), the Transmission Provider shall distribute revenues owed to the Transmission Owners in the Zone as described below.

(a) Except to the extent required under paragraph II.B.2(e) of this Attachment L, the Transmission Provider shall distribute revenues it collects under Schedule 9 to each Transmission Owner in the Zone where the load is located in proportion to its respective share of the Zonal Annual Transmission Revenue Requirements ("ZRR") shown in Attachment H for that Zone, as adjusted in accordance with paragraph II.B.2(b) below. The resulting adjusted OZRRs of the Transmission Owners in the Zone as calculated in paragraph II.B.2(b) below will be combined to provide the basis for distribution of revenues from Schedule 9 charges.

(b) For any year in which a Transmission Owner is a seller of transmission service to another Transmission Owner within the same Zone under one or more Grandfathered Agreements, the selling Transmission Owner's OZRR used to allocate revenue from Schedule 9 charges shall be reduced by the revenues associated with these Grandfathered Agreements in that year, but only to the extent that such costs have not already been credited against the selling Transmission Owner's OZRR. For any year in which a Transmission Owner is a purchaser of transmission service from a Transmission Owner within the same Zone under one or more Grandfathered Agreements, the purchasing Transmission Owner's OZRR shall be increased by the charges payable under these Grandfathered Agreements in that year, but only to

the extent those charges are not already included in the purchasing Transmission Owner's OZRR.

(c) For each Transmission Owner in the Zone that has elected not to take Network Integration Transmission Service for its Native Load Customers or that has elected not to make payments to the Transmission Provider for its OZRR in taking Network Integration Transmission Service for its Native Load Customers and/or that provides long term transmission service under Grandfathered Agreements (other than those addressed in paragraph II.B.2(b) above), the Transmission Provider shall compute hypothetical NITS payments equal to the cost to serve its Native Load Customers and to serve long-term customers served under Grandfathered Agreements (other than those addressed in paragraph II.B.2(b) above) as if those customers were paying for service under Schedule 9.

(d) For each Transmission Owner, the Transmission Provider shall calculate an amount equal to the sum of hypothetical NITS payments determined in accordance with paragraph II.B.2(c) above, if any, plus distributed Schedule 9 charges in accordance with paragraph II.B.2(a) above, less its OZRR as adjusted pursuant to paragraph II.B.2(b) above. If the resulting amount is positive, the Transmission Owner shall pay the Transmission Provider this amount. If the resulting amount is negative, the Transmission Provider shall pay the Transmission Owner this amount.

(e) The treatment described in paragraphs II.B.2(b)-(d) above is premised on the assumption that the annual transmission revenue requirement of the Transmission Owner that is the seller under a Grandfathered Agreement has not been reduced by the amount of the charges associated with the Grandfathered Agreement. In such circumstances, the parties to the Grandfathered Agreement will attempt to reach agreement on a treatment of the Grandfathered Agreement that results in appropriate compensation to the Transmission Owners in the Zone while preventing the imposition of excessive costs on others. If the Transmission Owners in the Zone are unable to reach agreement, either Transmission Owner may invoke the dispute resolution procedures of the Tariff or seek a determination from FERC as to the appropriate treatment of the Grandfathered Agreement charges.

(f) When a Network Customer has designated Network Load outside the Transmission Provider's Transmission System under Section 31.3 of the Tariff, revenues collected by the Transmission Provider for Network Integration Transmission Service for that

portion of the Network Customer's Network Load shall be distributed among Transmission Owners on the same basis as the revenues collected in connection with the provision of Point-To-Point Transmission Service.

(g) Sections II.B.2(a) through II.B.2.(e) above do not apply to Zone 1. In the event a Transmission Owner within Zone 1 other than American Electric Power establishes its owner-specific zonal annual revenue requirement ("OZRR") as stated in Attachment H, that subsequent Transmission Owner will be entitled to receive revenue, collected by the Transmission Provider from other Transmission Customers within Zone 1 including any Transmission Owner within Zone 1 taking service under Section 39, in an amount equal to one minus that Transmission Owner's Load Ratio Share of the Zone 1 total Network Load multiplied by that Transmission Owner's OZRR.

(h) Section II.B.2(f) above does not apply to revenues from a Network Customer having Network Load in Zone 19 which has designated Network Load outside the Transmission Provider's Transmission System under Section 31.3 of this Tariff designated prior to October 1, 2015. For such load, revenues collected by the Transmission Provider for Network Integration Transmission Service for such portion of the Network Customer's Network Load shall be distributed among Transmission Owners of Zone 19.

(i) Nothing herein is intended to supersede or otherwise affect rights that any Transmission Owner in a multi-owner Zone may have to seek designation of its facilities as a separate Zone under the Tariff.

3. Revenue Credits – Tariff Attachment Z2

Network Integration Transmission Service revenue collected by the Transmission Provider attributed to the use of Creditable Upgrades pursuant to the provisions of Attachment Z2 of this Tariff shall be paid to Upgrade Sponsors in accordance with Attachment Z2.

C. Revenue Distribution -- Point-To-Point Transmission Service

Irrespective of the number of Transmission Owners in a Zone, and except to the extent required under Section IV of this Attachment L, revenues collected by the Transmission Provider under Schedules 7 and 8 and revenues allocated pursuant to paragraphs II.B.1(b) and II.B.2(f). shall be distributed as follows:

(a) If a Point-To-Point Transmission Service reservation could not be granted but for the use of one or more Creditable Upgrades, pursuant to the provisions of

Attachment Z2, the revenue from that reservation will first be distributed to the Upgrade Sponsors of such Creditable Upgrades in accordance with the provisions of Attachment Z2. Any remaining revenue shall be distributed in accordance with all other provisions of this Section C.

(b) If the generation source(s) and load(s) are located within a single Zone, 50% of the revenues shall be distributed to the Transmission Owner(s) in that Zone in proportion to their respective shares of the ZRR, and 50% of the revenues shall be distributed to the Transmission Owner(s) in that Zone in proportion to the MW-mile impacts incurred by each such Transmission Owner.

(c) In all instances other than that described in the preceding paragraph : 50% of the revenues shall be distributed to the Transmission Owners in proportion to their respective shares of the sum of the Zonal Annual Transmission Revenue Requirements for all Zones; and 50% of the revenues shall be distributed to the Transmission Owners whose facilities incur MW-mile impacts due to the transaction, in proportion to the MW-mile impacts incurred by each such Transmission Owner. A Transmission Owner's OZRR used for this purpose shall be that stated in Attachment H. The MW-mile impacts shall be determined by use of the procedures in Attachment S.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:
Attachment M, Attachment M Loss Compensation Procedure, 5.0.0, A
Record Narrative Name: Attachment M Loss Compensation Procedure
Tariff Record ID: 335
Tariff Record Collation Value: 321297656 Tariff Record Parent Identifier: 0
Proposed Date: 2015-10-01
Priority Order: 500
Record Change Type: CHANGE
Record Content Type: 1
Associated Filing Identifier:

ATTACHMENT M LOSS COMPENSATION PROCEDURE

I. PURPOSE

This loss compensation procedure will be used to quantify *real power losses for which* the Transmission Customer *or Network Customer* is responsible *when taking service* under this Tariff. *The Transmission Provider* shall maintain a schedule showing *the real power loss factors* for the provision of transmission service *across each Zone on the Transmission System*.

The *injection loss factor (“ILF”) and delivery loss factor (“DLF”)* for each Zone are stated in Appendix 1 to this Attachment M.

II. TRANSMISSION LOSS DETERMINATION - NETWORK INTEGRATION TRANSMISSION SERVICE

(a) The Network Customer *shall be* responsible for *real power* losses associated with Network Integration Transmission Service to its Network Load *for* each Zone in which its Network Load is located for the purposes of determining charges under Schedule 9 and Schedule 11 to this Tariff. The Network Customer’s loss responsibility is the product of the Zone *DLF*, shown in *Column D* of Appendix 1 to this Attachment M and the hourly metered Network Load for the hour that is coincident with the applicable Zone monthly peak load hour and such loss responsibility shall be included when calculating that Network Customer’s Load Ratio Share, *Base Plan Zonal Load Ratio Share and Region-wide Load Ratio Share*.

(b) Loss energy associated with hourly energy settlement under the Integrated Marketplace shall be accounted for under the settlement procedures for the Energy and Operating Reserve Markets specified in Attachment AE. Loss energy associated with the transmission of Federal Power-Western-UGP to the Statutory Load Obligations served by Western-UGP shall be the product of the amount of Federal Power-Western-UGP delivered to the Statutory Load Obligations and the Zone 19 DLF, shown in Column D of Appendix 1 to this Attachment M in accordance with Section 39.3(e)(ii) of this Tariff.

III. TRANSMISSION LOSS DETERMINATION - POINT-TO-POINT TRANSMISSION SERVICE

The Transmission Customer shall be responsible for real power losses associated with Transmission Service under Schedule 7 and Schedule 8 to this Tariff. *For purposes of calculating a Transmission Customer’s loss responsibility, such Transmission Customer’s Transmission Service reservation capacity shall not be adjusted by the demand zonal loss factors stated in Appendix 1 to this Attachment M. Real power losses* associated with settlement of Transmission Service schedules in the Integrated Marketplace shall be accounted for under the settlement procedures for the Energy and Operating Reserve Markets specified in Attachment AE.

IV. OTHER LOSSES

Additional compensation will be required for real power losses when the meter used to measure the energy taken at a delivery point is located on facilities not on the Transmission System. The Transmission Customer shall be responsible for any real power losses incurred on facilities not on the Transmission System.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment M Appendix 1, Attachment M Appendix 1, 6.0.0, A

Record Narrative Name: Attachment M Appendix 1

Tariff Record ID: 336

Tariff Record Collation Value: 322327552 Tariff Record Parent Identifier: 335

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

APPENDIX 1 TO ATTACHMENT M DEMAND ZONAL LOSS FACTORS

(A) ZONE	(B) NAME	(C) INJECTION LOSS FACTOR ("ILF")	(D) DELIVERY LOSS FACTOR ("DLF")
1	<i>American Electric Power</i>	2.90%	2.9866%
2	<i>Reserved for Future Use</i>		
3	<i>City Utilities of Springfield</i>	2.00%	2.0408%
4	<i>Empire District Electric Company</i>	2.71%	2.7855%
5	<i>Grand River Dam Authority</i>	3.3816%	3.5%
6	<i>Kansas City Power & Light Company</i>	1.8646%	1.90%
7	<i>Oklahoma Gas and Electric Company</i>	3.00%	3.0928%
8	<i>Midwest Energy, Inc.</i>	4.26%	4.4496%
9	<i>KCP&L Greater Missouri Operations Company</i>	1.92%	1.9576%
10	<i>Southwestern Power Administration</i>	4.00%	4.1667%
11	<i>Southwestern Public Service</i>	3.2292%	3.3370%
12	<i>Sunflower Electric Power Corporation</i>	4.9701%	5.23%
13	<i>Western Farmers Electric Cooperative</i>	3.00%	3.0928%

14	<i>Westar Energy, Inc. (Kansas Gas and Electric and Westar Energy)</i>	2.9786%	3.07%
15	<i>Mid-Kansas Electric Company</i>	5.9443%	6.32%
16	<i>Lincoln Electric System</i>	1.07%	1.0816%
17	<i>Nebraska Public Power District</i>	2.4%	2.4590%
18	<i>Omaha Public Power District</i>	1.1858%	1.20%
19	Upper Missouri Zone	3.8462%	4.00%

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Att. T Upper Missouri, Attachment T Upper Missouri Zone, 0.0.0, A

Record Narrative Name: Attachment T Upper Missouri Zone

Tariff Record ID: 1314

Tariff Record Collation Value: 365553288 Tariff Record Parent Identifier: 349

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: NEW

Record Content Type: 1

Associated Filing Identifier:

Upper Missouri Zone

Rate Sheet for Point-To-Point Transmission Service

The currently effective rates for Point-To-Point Transmission Service in the Upper Missouri (“UMZ”) rate zone are set forth in the “UMZ PTP Rate Att T” tab of the Revenue Requirements and Rates File (“RRR File”) posted on the SPP website. Transmission Owners that have Commission approved rate(s) in the UMZ rate zone are: Basin Electric Power Cooperative (“Basin Electric”); Heartland Consumers Power District (“Heartland”); and Western Area Power Administration, Upper Great Plains Region (“Western-UGP”).

Balanced Portfolio Reallocation Adjustment of Point-To-Point Rates

Rates for Point-To-Point Transmission Service specified in this Attachment T shall be adjusted to reflect any amount reallocated from the Zonal Annual Transmission Revenue Requirement in accordance with Section IV.A of Attachment J. The rates, including any applicable reallocation adjustment, shall be set forth in the RRR File posted on the SPP website.

Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges based upon the rates set forth in the RRR File, calculated pursuant to the formula rates of Basin Electric, Heartland, and Western-UGP, including any ATRR associated with facility credits provided in the UMZ rate zone, set forth in Attachment H, Addendums (list appropriate addendums, respectively) of the Tariff, and as described below:

1. Yearly delivery: the UMZ Monthly delivery rate multiplied by 12 months.
2. Monthly delivery: the sum of the Basin Electric, Heartland, and Western-UGP Annual Transmission Revenue Requirements determined under these entities' formula rates, including any ATRR associated with facility credits provided in the UMZ rate zone, divided by the UMZ total load estimate and divided by 12 months (to three significant digits).
3. Weekly delivery: the UMZ Yearly delivery rate divided by 52.
4. Daily delivery: the UMZ Weekly delivery rate divided by 7.

Non-Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges based upon the rates set forth in the RRR File, calculated pursuant to the formula rates of Basin Electric, Heartland, and Western-UGP, including any ATRR associated with facility credits provided in the UMZ rate zone, and as described below:

1. Monthly delivery: the sum of the Basin Electric, Heartland, and Western-UGP Annual Transmission Revenue Requirements determined under these entities' formula rates, including any ATRR associated with facility credits provided in the UMZ rate zone, divided by the UMZ total load estimate and divided by 12 months (to three significant digits).
2. Weekly delivery: the UMZ Monthly delivery rate multiplied by 12 and divided by 52.
3. Daily delivery: the UMZ Weekly delivery rate divided by 7.
4. Hourly delivery: the UMZ Monthly delivery rate divided by 730 hours per month.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment V Section 1, Attachment V Section 1, 3.0.0, A

Record Narrative Name: Attachment V Section 1 Definitions

Tariff Record ID: 425

Tariff Record Collation Value: 371762560 Tariff Record Parent Identifier: 422

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

Section 1. Definitions

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 system other than the Transmission System that may be affected by the proposed interconnection.

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.

Applicable Reliability Council shall mean the reliability council applicable to the Transmission System to which the Generating Facility is directly interconnected.

Applicable Reliability Standards shall mean the requirements and guidelines of NERC, the Applicable Reliability Council, and the Control Area of the Transmission System to which the Generating Facility is directly interconnected.

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

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

Breaching Party shall mean a Party that is in Breach of the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

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

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

Clustering shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting the Interconnection Studies.

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 the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

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

Control Area shall mean an electrical system or systems bounded by interconnection metering and telemetry, capable of controlling generation to maintain its interchange schedule with other Control Areas and contributing to frequency regulation of the interconnection. A Control Area must be certified by an Applicable Reliability Council.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

Definitive 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 a Preliminary Interconnection System Impact Study or that may be caused by the withdrawal or addition of an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Definitive Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3A of the Generator Interconnection Procedures for conducting the Definitive Interconnection System Impact Study.

Definitive Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Definitive Interconnection System Impact Study.

Dispute Resolution shall mean the procedure in Section 12 of the Tariff for resolution of

a dispute between 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 that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.

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 transmission 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 the Generator Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, 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, or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of 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 Transmission Owner's Interconnection Facilities; or (4) 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 black start shall be considered Emergency Conditions; provided that Interconnection Customer is not obligated by the Generator Interconnection Agreement to possess black start capability.

Energy Resource Interconnection Service shall mean an Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself 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.

Environmental Review shall mean a study conducted by Western-UGP, as the Transmission Owner, that contains a review of the proposed interconnection to Western-UGP's transmission facilities, pursuant to the National Environmental Policy Act ("NEPA"), 42 U.S.C. §4321, et seq., as amended, and setting forth Interconnection Customer's responsibilities in

connection with such review of the interconnection.

***Fast Track Process** – The procedure for evaluating an Interconnection Request for a certified Small Generating Facility that meets the eligibility requirements of section 14.1 and includes the section 14 screens, customer options meeting, and optional supplemental review.*

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 (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 acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Interconnection Customer's device 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 applicable to an Interconnection Request pertaining to a Generating Facility that is included in Appendix 6 to these Generator Interconnection Procedures or in Appendix 13 when Western-UGP is a Party, as the Transmission Owner, to the GIA.

Generator Interconnection Procedures (GIP) shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Generating Facility that are included in the Transmission Provider's Tariff.

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.

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.

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

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 back feed power.

Interconnection Customer shall mean any entity, including the 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 the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, 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. 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 are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

Interconnection Facilities Study shall mean a study conducted by the Transmission Provider or a third party consultant for the Interconnection Customer to determine a list of facilities (including Transmission Owner's Interconnection Facilities and Network Upgrades as identified in the Definitive Interconnection System Impact Study), the cost of those facilities, and

the time required to interconnect the Generating Facility with the Transmission System. The scope of the study is defined in Section 8 of the Generator Interconnection Procedures.

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 Facilities Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Facilities Study.

Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Generating Facility to the Transmission System, the scope of which is described in Section 6 of the Generator Interconnection Procedures.

Interconnection Feasibility Study Agreement shall mean the form of agreement contained in Appendix 2 of the Generator Interconnection Procedures for conducting the Interconnection Feasibility Study.

Interconnection Feasibility Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Feasibility Study.

Interconnection Queue Position shall mean the order of a valid Interconnection Request within the Interconnection Facilities Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Facilities Study Queue, which is established based upon the requirements in Section 4.1.3.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Generator Interconnection Procedures, in accordance with the Tariff, 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 Interconnection Customer's 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 the Generator Interconnection Agreement and, if applicable, the Tariff.

Interconnection Study shall mean any of the following studies: the Interconnection Feasibility Study, the Preliminary Interconnection System Impact Study, the Definitive Interconnection System Impact Study, the Interim Availability Interconnection System Impact Study, and the Interconnection Facilities Study described in the Generator Interconnection Procedures.

Interconnection Study Agreement shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Preliminary Interconnection System Impact Study Agreement, the Definitive Interconnection System Impact Study Agreement, the Interim Availability Interconnection System Impact Study Agreement, and the Interconnection Facilities Study Agreement described in the Generator Interconnection Procedures.

Interim Availability Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of the Transmission System and, if applicable, an Affected System for the purpose of providing Interim Interconnection Service. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications on an interim basis.

Interim Availability Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 5 of the Generator Interconnection Procedures for conducting the Interim Availability Interconnection System Impact Study.

Interim Generator Interconnection Agreement (Interim GIA) shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Generating Facility to allow interconnection to the Transmission System prior to the completion of the Interconnection Study process.

Interim Interconnection Service shall mean the service provided by the Transmission Provider associated with interconnecting the Interconnection Customer's Generating Facility to the Transmission Provider's 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 the Interim Generator Interconnection Agreement and, if applicable, the Tariff.

IRS shall mean the Internal Revenue Service.

Joint Operating Committee shall be a group made up of representatives from Interconnection Customer, Transmission Owner and the Transmission Provider to coordinate operating and technical considerations of Interconnection Service.

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

Loss shall mean any and all losses 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 another Party's performance, or non-performance of its obligations under the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying 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 the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, 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 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 shall mean an Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with the Transmission System in a manner comparable to that in which the Transmission Owner integrates its generating facilities to serve Native Load Customers as a Network Resource. Network Resource Interconnection Service in and of itself 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 to accommodate the interconnection of the Generating Facility to the Transmission System.

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, or its performance.

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 or Interim Generator Interconnection Agreement, as applicable, 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 to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, where the Interconnection Facilities connect to the Transmission System.

Preliminary 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 an Interconnection Feasibility Study or that may be caused by an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Preliminary Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3 of the Generator Interconnection Procedures for conducting the Preliminary Interconnection System Impact Study.

Preliminary Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Preliminary

Interconnection System Impact Study.

Previous Network Upgrade shall mean a Network Upgrade that is needed for the interconnection of one or more Interconnection Customers' Generating Facilities, where the Interconnection Customer is not responsible for the cost and which is identified in Appendix A of the Generator Interconnection Agreement.

Queue shall mean the Interconnection Feasibility Study Queue, the Preliminary Interconnection System Impact Study Queue, the Definitive Interconnection System Impact Study Queue, or the Interconnection Facilities Study Queue, as applicable.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer, Transmission Owner 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 listed in Appendix A of the Generator Interconnection Agreement that is needed for the interconnection of multiple Interconnection Customers' Generating Facilities where such Interconnection Customers share the cost.

Site Control shall mean documentation reasonably demonstrating: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size 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 of sufficient size for such purpose

Small Generating Facility shall mean *the Interconnection Customer's device for the production and/or storage for later injection of electricity identified in the Interconnection Request that meets the requirements of Section 14, but shall not include the Interconnection Customer's Interconnection Facilities.*

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 the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable.

System Protection Facilities shall mean the equipment, including necessary protection

signal communications equipment, required to protect (1) the Transmission System 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 FERC, and as amended or supplemented from time to time, or any successor tariff.

Transmission Owner shall mean an entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of Interconnection and may be a Party to the Generator Interconnection Agreement to the extent necessary.

Transmission Provider shall mean the public utility (or its Designated Agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the Tariff. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from the Transmission Provider.

Transmission Owner's Interconnection Facilities shall mean all facilities and equipment owned, controlled, or operated by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Generator Interconnection Agreement or Interim Generator Interconnection Agreement, as applicable, 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, Stand Alone Network Upgrades or Network Upgrades.

Transmission System shall mean the facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide transmission 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.

Western Area Power Administration-Upper Great Plains Region ("Western-UGP") shall mean a division of the Western Area Power Administration, a Federal Power Marketing Agency, and Transmission Owner, that markets and transmits Federal power over Federal transmission facilities that have been transferred to the functional control of the Transmission Provider.

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Section 2. Scope and Application

2.1 Application of Generator Interconnection Procedures.

These Generator Interconnection Procedures apply, as specified in this Section 2, to the processing of Interconnection Requests for interconnections to the Transmission System that are subject to FERC jurisdiction.

2.1.1 Sections 2 through 13 apply to processing an Interconnection Request pertaining to a Generating Facility except for Small Generating Facilities that meet the requirements of Section 14 of the GIP or Appendix 11. *If the Interconnection Customer wishes to interconnect its Small Generating Facility using Network Resource Interconnection Service, it must do so under Sections 3 through 13.*

2.1.2 Section 14 of the GIP applies to a request to interconnect a certified Small Generating Facility meeting the certification criteria in Appendix 9 and Appendix 10.

2.1.3 A request to interconnect a certified inverter-based Small Generating Facility no larger than 10 kW shall be evaluated under Appendix 11; except that Section 14 of this GIP shall instead apply to such request to interconnect a certified inverter-based Small Generating Facility no larger than 10kW if the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP, as the Transmission Owner, and such interconnection is subject to completion of the appropriate NEPA level of Environmental Review and issuance of the required NEPA decisional document.

2.2 Pre-Application Process for Interconnection Requests Equal to or Less than 20 MW

2.2.1 *The Transmission Provider shall designate an employee or office from which information on the application process and on an Affected System can be obtained through informal requests from the Interconnection Customer presenting a proposed project for a specific site. The name, telephone number, and e-mail address of such contact employee or office shall be made available on the Transmission Provider's Internet web site. Electric system information provided to the Interconnection Customer should include relevant system studies, interconnection studies, and other materials useful to an understanding of an interconnection at a particular point on the Transmission Provider's Transmission System, to the extent such provision does not violate confidentiality provisions of prior*

agreements or critical infrastructure requirements. The Transmission Provider shall comply with reasonable requests for such information.

2.2.2 In addition to the information described in section 2.2.1, which may be provided in response to an informal request, an Interconnection Customer may submit a formal written request form along with a non-refundable fee of \$300 for a pre-application report on a proposed project at a specific site. The Transmission Provider shall provide the pre-application data described in section 2.2.3 to the Interconnection Customer within 20 Business Days of receipt of the completed request form and payment of the \$300 fee. The pre-application report produced by the Transmission Provider is non-binding, does not confer any rights, and the Interconnection Customer must still successfully apply to interconnect to the Transmission Provider's system. The written pre-application report request form shall include the information in sections 2.2.2.1 through 2.2.2.8 below to clearly and sufficiently identify the location of the proposed Point of Interconnection.

2.2.2.1 Project contact information, including name, address, phone number, and email address.

2.2.2.2 Project location (street address with nearby cross streets and town).

2.2.2.3 Meter number, pole number, or other equivalent information identifying proposed Point of Interconnection, if available.

2.2.2.4 Generator Type (e.g., solar, wind, combined heat and power, etc.).

2.2.2.5 Size (alternating current kW).

2.2.2.6 Single or three phase generator configuration.

2.2.2.7 Stand-alone generator (no onsite load, not including station service – Yes or No?).

2.2.2.8 Is new service requested? Yes or No? If there is existing service, include the customer account number, site minimum and maximum current or proposed electric loads in kW (if available) and specify if the load is expected to change.

2.2.3. Using the information provided in the pre-application report request form in section 2.2.2, the Transmission Provider will identify the substation/area bus, bank or circuit likely to serve the proposed Point of Interconnection. This selection by the Transmission Provider does not necessarily indicate, after application of the screens and/or study, that this

would be the circuit the project ultimately connects to. The Interconnection Customer must request additional pre-application reports if information about multiple Points of Interconnection is requested. Subject to section 2.2.4, the pre-application report will include the following information:

- 2.2.3.1 *Total capacity (in MW) of substation/area bus, bank or circuit based on normal or operating ratings likely to serve the proposed Point of Interconnection.*
- 2.2.3.2 *Existing aggregate generation capacity (in MW) interconnected to a substation/area bus, bank or circuit (i.e., amount of generation online) likely to serve the proposed Point of Interconnection.*
- 2.2.3.3 *Aggregate queued generation capacity (in MW) for a substation/area bus, bank or circuit (i.e., amount of generation in the queue) likely to serve the proposed Point of Interconnection.*
- 2.2.3.4 *Available capacity (in MW) of substation/area bus or bank and circuit likely to serve the proposed Point of Interconnection (i.e., total capacity less the sum of existing aggregate generation capacity and aggregate queued generation capacity).*
- 2.2.3.5 *Substation nominal distribution voltage and/or transmission nominal voltage if applicable.*
- 2.2.3.6 *Nominal distribution circuit voltage at the proposed Point of Interconnection.*
- 2.2.3.7 *Approximate circuit distance between the proposed Point of Interconnection and the substation.*
- 2.2.3.8 *Relevant line section(s) actual or estimated peak load and minimum load data, including daytime minimum load as described in section 14.4.4.1.1 below and absolute minimum load, when available.*
- 2.2.3.9 *Number and rating of protective devices and number and type (standard, bi-directional) of voltage regulating devices between the proposed Point of Interconnection and the substation/area. Identify whether the substation has a load tap changer.*
- 2.2.3.10 *Number of phases available at the proposed Point of Interconnection. If a single phase, distance from the three-phase circuit.*
- 2.2.3.11 *Limiting conductor ratings from the proposed Point of Interconnection to the distribution substation.*

2.2.3.12 *Whether the Point of Interconnection is located on a spot network, grid network, or radial supply.*

2.2.3.13 *Based on the proposed Point of Interconnection, existing or known constraints such as, but not limited to, electrical dependencies at that location, short circuit interrupting capacity issues, power quality or stability issues on the circuit, capacity constraints, or secondary networks.*

2.2.4 *The pre-application report need only include existing data. A pre-application report request does not obligate the Transmission Provider to conduct a study or other analysis of the proposed generator in the event that data is not readily available. If the Transmission Provider cannot complete all or some of a pre-application report due to lack of available data, the Transmission Provider shall provide the Interconnection Customer with a pre-application report that includes the data that is available. The provision of information on “available capacity” pursuant to section 2.2.3.4 does not imply that an interconnection up to this level may be completed without impacts since there are many variables studied as part of the interconnection review process, and data provided in the pre-application report may become outdated at the time of the submission of the complete Interconnection Request. Notwithstanding any of the provisions of this section, the Transmission Provider shall, in good faith, include data in the pre-application report that represents the best available information at the time of reporting.*

2.3 Comparability.

Transmission Provider shall receive, process and analyze all Interconnection Requests in a timely manner as set forth in this GIP. Transmission Provider will use the same Reasonable Efforts in processing and analyzing Interconnection Requests from all Interconnection Customers, whether the Generating Facilities are owned by Transmission Provider, its subsidiaries or Affiliates or others.

2.4 Base Case Data.

Transmission Provider shall provide current base power flow, short circuit and stability databases, including all underlying assumptions, and contingency list upon request subject to confidentiality provisions in GIP Section 13.1, that the Transmission Provider is using to perform Definitive Interconnection System Impact Studies. Transmission Provider is permitted to require that Interconnection Customer sign a confidentiality agreement before the release of commercially sensitive information or Critical Energy Infrastructure Information in the Base Case data. Such databases and lists, hereinafter referred to as Base Cases, shall include all (i) generation projects and (ii) transmission projects, including merchant transmission projects that are proposed for the Transmission System for which a transmission expansion plan has been submitted and approved

by the applicable authority.

2.5 No Applicability to Transmission Service.

Nothing in this GIP shall constitute a request for transmission service or confer upon an Interconnection Customer any right to receive transmission service.

2.6 Participation by the United States Subject to Federal Laws and Regulations

In the event that Western-UGP is the Transmission Owner under any of the provisions or agreements in this GIP, then in such case Section 39.3 of this Tariff is incorporated as if it were a part hereof.

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Section 3. Interconnection Requests

3.1 General.

An Interconnection Customer shall submit to Transmission Provider an Interconnection Request in the form of Appendix 1 to this GIP and the deposit along with the other items in Section 3.3.1 of these Generator Interconnection Procedures. Transmission Provider shall apply the deposit toward the cost of the applicable Interconnection Study. Interconnection Customer shall submit a separate Interconnection Request for each site and may submit multiple Interconnection Requests for a single site. Interconnection Customer must submit a deposit with each Interconnection Request even when more than one request is submitted for a single site. An Interconnection Request to evaluate one site at two different voltage levels shall be treated as two Interconnection Requests.

At Interconnection Customer's option, Transmission Provider and Interconnection Customer will identify alternative Point(s) of Interconnection and configurations at the Scoping Meeting to evaluate in this process and attempt to eliminate alternatives in a reasonable fashion given resources and information available. Interconnection Customer will select the definitive Point(s) of Interconnection to be studied no later than the execution of the Interconnection Feasibility Study Agreement.

3.2 Identification of Types of Interconnection Services.

At the time the Interconnection Request is submitted, Interconnection Customer

must request either Energy Resource Interconnection Service or Network Resource Interconnection Service, as described; provided, however, any Interconnection Customer requesting Network Resource Interconnection Service may also request that it be concurrently studied for Energy Resource Interconnection Service, up to the point when an Interconnection Facility Study Agreement is executed. Interconnection Customer may then elect to proceed with Network Resource Interconnection Service or to proceed under a lower level of interconnection service to the extent that only certain upgrades will be completed.

3.2.1 Energy Resource Interconnection Service.

3.2.1.1 The Product. Energy Resource Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Transmission System 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. Energy Resource Interconnection Service does not in and of itself convey any right to deliver electricity to any specific customer or Point of Delivery.

3.2.1.2 The Study. The study consists of short circuit/fault duty, steady state (thermal and voltage) and stability analyses. The short circuit/fault duty analysis would identify direct Interconnection Facilities required and the Network Upgrades necessary to address short circuit issues associated with the Interconnection Facilities. The stability and steady state studies would identify necessary upgrades to allow full output of the proposed Generating Facility and would also identify the maximum allowed output, at the time the study is performed, of the interconnecting Generating Facility without requiring additional Network Upgrades.

3.2.2 Network Resource Interconnection Service.

3.2.2.1 The Product. Transmission Provider must conduct the necessary studies and the Transmission Owner construct the Network Upgrades needed to integrate the Generating Facility in a manner comparable to that in which Transmission Owner integrates its generating facilities to serve Native Load Customers as Network Resources. Network Resource Interconnection Service allows Interconnection Customer's Generating Facility to be designated as a Network Resource, up to the Generating Facility's full output, on the same basis as existing Network Resources interconnected to Transmission Provider's Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur.

3.2.2.2 The Study. The Interconnection Study for Network Resource Interconnection Service shall assure that Interconnection

Customer's Generating Facility meets the requirements for Network Resource Interconnection Service and as a general matter, that such Generating Facility's interconnection is also studied with Transmission System at peak load, under a variety of severely stressed conditions, to determine whether, with the Generating Facility at full output, the aggregate of generation in the local area can be delivered to the aggregate of load on Transmission System, consistent with Applicable Reliability Standards. This approach assumes that some portion of existing Network Resources are displaced by the output of Interconnection Customer's Generating Facility. Network Resource Interconnection Service in and of itself does not convey any right to deliver electricity to any specific customer or Point of Delivery. The Transmission Provider may also study the Transmission System under non-peak load conditions. However, upon request by the Interconnection Customer, the Transmission Provider must explain in writing to the Interconnection Customer why the study of non-peak load conditions is required for reliability purposes.

3.3 Valid Interconnection Request.

3.3.1 Initiating an Interconnection Request.

To initiate an Interconnection Request, Interconnection Customer must submit all of the following: (i) a \$10,000 deposit, (ii) a completed application in the form of Appendix 1, and (iii) demonstration of Site Control; provided, however, demonstration of Site Control is not required for inclusion of an Interconnection Request in the Interconnection Feasibility Study Queue. Specifications for acceptable site size for the purpose of demonstrating Site Control are posted on the Transmission Provider's website, available at: <http://sppoasis.spp.org/documents/swpp/transmission/studies/Interconnection%20Request%20Guidelines%20for%20Posting.pdf>; Interconnection Customer may propose an alternative site size for Transmission Provider approval. Transmission Provider shall approve a demonstration of Site Control with an alternative site size when the Interconnection Customer submits to Transmission Provider a final layout drawing of the Generating Facility that includes at a minimum: (i) the spacing and number of turbines; (ii) the cable requirements to interconnect the individual turbines to the collector substation and the cable requirements from the collector substation to the interconnection substation; (iii) the resistance and impedance measurements of the interconnecting cable and (iv) acknowledgment by Interconnection Customer that the layout drawing is intended to be final and not subsequently substantially changed. Interconnection Customer may modify the layout drawing of a project until it submits an Interconnection Request into the Definitive Interconnection System Impact Study Queue ("DISIS Queue"). Once an Interconnection Request has been submitted in the DISIS Queue, and

Transmission Provider has approved the final layout drawing and demonstration of Site Control, any subsequent change to the design of the Generating Facility as depicted in the layout drawing will be subject to Section 4.4 and will be evaluated to determine whether the change constitutes a Material Modification under Section 4.4. Deposits provided pursuant to this section shall be applied toward any Interconnection Studies pursuant to the Interconnection Request.

The expected In-Service Date of the new Generating Facility or increase in capacity of the existing Generating Facility shall be no more than the process window for the regional expansion planning period not to exceed seven years from the date the Interconnection Request is received by Transmission Provider, unless Interconnection Customer demonstrates that engineering, permitting and construction of the new Generating Facility or increase in capacity of the existing Generating Facility will take longer than the regional expansion planning period. The In-Service Date may succeed the date the Interconnection Request is received by Transmission Provider by a period up to ten years, or longer where Interconnection Customer and Transmission Provider agree, such agreement not to be unreasonably withheld.

3.3.2 Acknowledgment of Interconnection Request.

Transmission Provider shall acknowledge receipt of the Interconnection Request within five (5) Business Days of receipt of the request and attach a copy of the received Interconnection Request to the acknowledgment.

3.3.3 Deficiencies in Interconnection Request.

An Interconnection Request will not be considered to be a valid request until all items in Section 3.3.1 have been received by Transmission Provider; provided however, that demonstration of Site Control is not required for inclusion of an Interconnection Request in the Interconnection Feasibility Study Queue. If an Interconnection Request fails to meet the requirements set forth in Section 3.3.1, Transmission Provider shall notify Interconnection Customer within five (5) Business Days of receipt of the initial Interconnection Request of the reasons for such failure and that the Interconnection Request does not constitute a valid request. In the event that Transmission Provider discovers or verifies a deficiency later in the GIP process, Transmission Provider will notify Interconnection Customer as soon as practicable. Interconnection Customer shall provide Transmission Provider the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice. Failure by Interconnection Customer to comply with this Section 3.3.3 shall be treated in accordance with Section 3.6.

3.3.4 Scoping Meeting.

Within ten (10) Business Days after receipt of a valid Interconnection

Request, Transmission Provider shall establish a date agreeable to the Transmission Owner and the Interconnection Customer for the Scoping Meeting, and such date shall be no later than thirty (30) Calendar Days from receipt of the valid Interconnection Request, unless otherwise mutually agreed upon by the Parties.

The purpose of the Scoping Meeting shall be to discuss alternative interconnection options, to exchange information including any transmission data that would reasonably be expected to impact such interconnection options, to analyze such information and to determine the potential feasible Points of Interconnection. Transmission Provider, Transmission Owner and Interconnection Customer shall provide such technical data, including, but not limited to: (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting. Transmission Provider, Transmission Owner and Interconnection Customer will also make available personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On the basis of the meeting, Interconnection Customer shall designate its Point of Interconnection, pursuant to Section 6.1, and one or more available alternative Point(s) of Interconnection. The duration of the meeting shall be sufficient to accomplish its purpose.

3.3.5 Environmental Review.

In the event the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP, the Interconnection Request shall be subject to an Environmental Review as described in Section 8.6.1 of this GIP. The Interconnection Customer may request that the Environment Review begin any time after the Interconnection Request is accepted.

3.4 OASIS Posting.

Transmission Provider will maintain on its OASIS a list of all Interconnection Requests. The list will identify, for each Interconnection Request: (i) the maximum summer and winter megawatt electrical output; (ii) the location by county and state; (iii) the station or transmission line or lines where the interconnection will be made; (iv) the projected In-Service Date; (v) the status of the Interconnection Request, including Initial Queue Position, and Interconnection Queue Position, as applicable; (vi) the type of Interconnection Service being requested; and (vii) the availability of any studies related to the Interconnection Request; (viii) the date of the Interconnection Request; (ix) the type of Generating Facility to be constructed (combined cycle, base load or combustion turbine and fuel type); and (x) for Interconnection Requests that have not resulted in a completed interconnection, an explanation as to why it was not completed. The list will not disclose the identity of Interconnection Customer until

Interconnection Customer executes a GIA or requests that Transmission Provider file an unexecuted GIA with FERC. Transmission Provider shall post to its OASIS site any deviations from the study timelines set forth herein. Interconnection Study reports and Re-Study reports shall be posted to Transmission Provider's OASIS site subsequent to the meeting between Interconnection Customer and Transmission Provider to discuss the applicable study results. Transmission Provider shall also post any known deviations in the Generating Facility's In-Service Date.

3.5 Coordination with Affected Systems.

Transmission Provider will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators and, if possible, include those results (if available) in its applicable Interconnection Study within the time frame specified in this GIP. Transmission Provider will include such Affected System Operators in all meetings held with Interconnection Customer as required by this GIP. Interconnection Customer will cooperate with Transmission Provider in all matters related to the conduct of studies and the determination of modifications to Affected Systems. A Transmission Provider which may be an Affected System shall cooperate with Transmission Provider with whom interconnection has been requested in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

3.6 Withdrawal.

Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to Transmission Provider. In addition, if Interconnection Customer fails to adhere to all requirements of this GIP, except as provided in Section 13.5 (Disputes), Transmission Provider shall deem the Interconnection Request to be withdrawn and shall provide written notice to Interconnection Customer of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, Interconnection Customer shall have fifteen (15) Business Days in which to either respond with information or actions that cures the deficiency or to notify Transmission Provider of its intent to pursue Dispute Resolution.

Withdrawal shall result in the loss of Interconnection Customer's Initial Queue Position or Interconnection Queue Position, as applicable, and the forfeiture of milestone deposits provided in Sections 8.2 and 8.9, as applicable. If an Interconnection Customer disputes the withdrawal and loss of its Initial Queue Position or Interconnection Queue Position, then during Dispute Resolution, Interconnection Customer's Interconnection Request is eliminated from the applicable Queue until such time that the outcome of Dispute Resolution would restore its Initial Queue Position or Interconnection Queue Position. An Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request shall pay to Transmission Provider all costs that

Transmission Provider prudently incurs with respect to that Interconnection Request prior to Transmission Provider's receipt of notice described above. Interconnection Customer must pay all monies due to Transmission Provider before it is allowed to obtain any Interconnection Study data or results.

Transmission Provider shall (i) update the OASIS list of Interconnection Requests and (ii) refund to Interconnection Customer any portion of Interconnection Customer's deposit or study payments that exceeds the costs that Transmission Provider has incurred, including interest calculated in accordance with Section 35.19a(a)(2) of FERC's regulations. In the event of such withdrawal, Transmission Provider, subject to the confidentiality provisions of Section 13.1, shall provide, at Interconnection Customer's request, all information that Transmission Provider developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment V Section 5, Attachment V Section 5, 2.0.0, A

Record Narrative Name: Attachment V Section 5 Procedures for Interconnection Requests Submitted Prior to Effective Date of Generator Interconnection Procedures

Tariff Record ID: 478

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Record Content Type: 1

Associated Filing Identifier:

Section 5. Procedures for Interconnection Requests Submitted Prior to Effective Date of Generator Interconnection Procedures

5.1 Transition Procedures.

5.1.1 Any Interconnection Request that does not have an executed GIA or requested a GIA be filed unexecuted with FERC as of March 1, 2014 ("Revision Date") shall be subject to this GIP. Any Interconnection Customer that fails to meet these requirements shall have its Interconnection Request deemed withdrawn pursuant to Section 3.6.

5.1.1.1 Any Interconnection Request in the Feasibility Study Queue and the PISIS Queue will transition to the revised GIP upon the completion of the Feasibility Study or the PISIS that the Interconnection Request is being studied in at the time of the Revision Date.

5.1.1.2 Any Interconnection Request in the DISIS Queue for which an Interconnection Facilities Study Agreement has not yet

been executed as of *June 13, 2014, the date of the Commission's Order in Docket No. ER14-781 ("FERC Order Date")*, shall transition to the Revised GIP by meeting the requirements in Section 8.2 by the date in Section 5.1.3.

5.1.1.3 Any Interconnection Request in the DISIS Queue for which an Interconnection Facilities Study Agreement has been executed as of the *FERC Order Date*, shall transition to the revised GIP by meeting the requirements of Sections 8.2 and 8.9 by the date in Section 5.1.3 and will be assigned an Interconnection Queue Position for cost assignment purposes based upon its current DISIS Queue Cluster Window.

5.1.2 Any Interconnection Request for which a GIA has been executed or has been filed unexecuted with FERC as of the Revision Date shall not be subject to this GIP unless the Interconnection Customer is *currently* not meeting the milestones listed in Appendix B of its GIA *or subsequently does not meet the milestones listed in Appendix B of its GIA*. An Interconnection Customer not meeting its milestones shall be required to conform to Sections 8.2 and 8.9 of this GIP. If an Interconnection Customer is not meeting the milestones in Appendix B of its GIA, the Transmission Provider shall revise the GIA to conform to this GIP and shall file such revised GIA at FERC.

5.1.3 Transition Period.

An Interconnection Customer with an Interconnection Request that has not executed a GIA as of the Revision Date shall transition to the revised GIP within sixty (60) Calendar Days of *the FERC Order Date*.

5.2 New Transmission Provider.

If Transmission Provider transfers control of its Transmission System to a successor Transmission Provider during the period when an Interconnection Request is pending, the original Transmission Provider shall transfer to the successor Transmission Provider any amount of the deposit or payment with interest thereon that exceeds the cost that it incurred to evaluate the request for interconnection. Any difference between such net amount and the deposit or payment required by this GIP shall be paid by or refunded to the Interconnection Customer, as appropriate. The original Transmission Provider shall coordinate with the successor Transmission Provider to complete any Interconnection Study, as appropriate, that the original Transmission Provider has begun but has not completed. If Transmission Provider has tendered a draft GIA to Interconnection Customer but Interconnection Customer has not either executed the GIA or requested the filing of an unexecuted GIA with FERC, unless otherwise provided,

Interconnection Customer must complete negotiations with the successor Transmission Provider.

For a generating facility on the original Transmission Provider's Transmission System with an effective generator interconnection agreement that requires an operating guide to implement operating restrictions, and if such operating guide has not been completed at the time the original Transmission Provider transfers control of its Transmission System to the successor Transmission Provider, the successor Transmission Provider shall perform a study to determine the operating restrictions of the generating facility.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment V Section 8, Attachment V Section 8, 3.0.0, A

Record Narrative Name: Attachment V Section 8 Definitive Planning Phase

Tariff Record ID: 493

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Section 8. Definitive Planning Phase

8.1 Definitive Interconnection System Impact Study Agreement.

Unless otherwise agreed, pursuant to the Scoping Meeting provided in Section 3.3.4, simultaneously with the delivery of the Preliminary Interconnection System Impact Study to Interconnection Customer or simultaneously with the acknowledgement of a valid Interconnection Request indicating that a Definitive Interconnection System Impact Study is to be performed, Transmission Provider shall provide to Interconnection Customer a Definitive Interconnection System Impact Study Agreement in the form of Appendix 3A to this GIP. The Definitive Interconnection System Impact Study Agreement shall provide that Interconnection Customer shall compensate Transmission Provider for the actual cost of the Definitive Interconnection System Impact Study. Within three (3) Business Days following the Preliminary Interconnection System Impact Study results meeting described under Section 7.5, or within (3) Business Days following acknowledgement of a valid Interconnection Request indicating that a Definitive Interconnection System Impact Study is to be performed, Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Definitive Interconnection System Impact Study.

8.2 Execution of Definitive Interconnection System Impact Study Agreement.

Interconnection Customer shall execute the Definitive Interconnection System Impact Study Agreement and deliver the executed Definitive Interconnection System Impact Study Agreement to Transmission Provider following its receipt no later than the lesser of (i) thirty (30) Calendar Days or (ii) the Calendar Days remaining prior to close of the DISIS Queue Cluster Window, along with each of

the following:

- a. Demonstration of Site Control;
- b. Study deposit, which shall be one of the following:
 - 1. \$15,000 deposit for requests less than or equal to 2 MW (See Section 13.3 for requirements for this deposit to be considered refundable);
 - 2. \$25,000 deposit for requests greater than 2 MW and less than or equal to 20 MW (See Section 13.3 for requirements for this deposit to be considered refundable);
 - 3. \$40,000 deposit for requests of greater than 20 MW and less than 75 MW (See Section 13.3 for requirements for this deposit to be considered refundable); or
 - 4. \$80,000 deposit for requests greater than or equal to 75 MW (See Section 13.3 for requirements for this deposit to be considered refundable);
- c. Definitive Point of Interconnection;
- d. Definitive plant size (MW);
- e. Technical information required in Appendix 7 of this GIP, if applicable; and
- f. Security deposit equal to \$1000/MW of the plant size (refundable at commercial operation or if Interconnection Request is withdrawn prior to the execution of the Interconnection Facilities Study Agreement).

If the Definitive Interconnection System Impact Study uncovers any unexpected result(s) not contemplated during the Interconnection Feasibility Study or the Preliminary Interconnection System Impact Study, a substitute Point of Interconnection identified by Transmission Provider may be substituted for the designated Point of Interconnection specified above without loss of Initial Queue Position, and restudies shall be completed pursuant to Section 8.8 as applicable.

8.3 DISIS Review Period

The DISIS Review Period shall be the thirty (30) Calendar Day period following the close of the DISIS Queue Cluster Window during which the Transmission Provider will validate Interconnection Requests. The Transmission Provider shall notify the Interconnection Customer of any deficiencies that would warrant removal from the DISIS Queue. Interconnection Customer shall have fifteen (15) Business Days from the date of the notice to cure any deficiencies, *which may*

extend beyond the DISIS Review Period. If the Interconnection Customer does not cure the deficiencies within such time period, the Interconnection Request shall be deemed withdrawn. Transmission Provider may conduct additional Scoping Meetings during the DISIS Review Period.

8.4 Scope of Definitive Interconnection System Impact Study.

The Definitive Interconnection System Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the Transmission System. The Definitive Interconnection System Impact Study will consider two different scenarios as described below.

8.4.1 The “Cluster Scenario” will consider the Base Case, as well as all Interconnection Requests in the Definitive Interconnection System Impact Study Queue and all generating facilities (and with respect to (iii) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Definitive Interconnection System Impact Study is commenced:

- (i) are directly interconnected to the Transmission System;
- (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request;
- (iii) have a pending higher queued Interconnection Request to interconnect to the Transmission System; and
- (iv) have no Interconnection Queue Position but have executed a GIA or requested that an unexecuted GIA be filed with FERC.

8.4.2 The “Stand Alone Scenario” will consider the Base Case as well as all generating facilities (and with respect to (iii) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Definitive Interconnection System Impact Study is commenced:

- (i) are directly interconnected to the Transmission System;
- (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request;
- (iii) have a pending higher queued Interconnection Request to interconnect to the Transmission System; and
- (iv) have no Interconnection Queue Position but have executed a GIA or requested that an unexecuted GIA be filed with FERC.

The Definitive Interconnection System Impact Study will consist of a short circuit analysis, a stability analysis, and a power flow analysis. The Definitive Interconnection System Impact Study will state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing the requested interconnection service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. The Definitive Interconnection System Impact Study will provide a list of facilities that are required as a result of the Interconnection Request and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

8.4.3 Availability of Limited Operation.

If the Definitive Interconnection System Impact Study “Stand Alone Scenario” as defined in Section 8.4.2 determines that the full amount of interconnection capacity requested by the Interconnection Customer is not available by its requested Commercial Operation Date due to transmission constraints that may be remedied by an upgrade(s) with an in-service date beyond the Commercial Operation Date proposed by the Interconnection Customer, the Transmission Provider shall quantify the amount of interconnection capacity available to the Interconnection Customer prior to the in-service date of such upgrade(s) (“Limited Operation”). The Interconnection Customer shall be notified of the amount of interconnection capacity available under the Limited Operation condition. The Interconnection Customer may choose to proceed with Limited Operation by executing the Limited Operation Interconnection Facilities Study Agreement in Appendix 4A. The Interconnection Customer may also be subject to conditions in Section 8.7 of the GIP.

8.4.4 Facilities Analysis.

During the Definitive Interconnection System Impact Study, the Transmission Provider shall specify and estimate the cost of the equipment, engineering, procurement and construction work needed for transmission facilities at the Point of Interconnection to physically and electrically connect the Generating Facility to the Transmission System (“Facilities Analysis”). The Facilities Analysis shall also identify the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear, meters, and other station equipment; the nature and estimated cost of any Transmission Owner's

Interconnection Facilities and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities. The results of the Facility Analysis shall be utilized as part of the Interconnection Facilities Study.

8.5 Definitive Interconnection System Impact Study Procedures.

- a. Transmission Provider shall coordinate the Definitive Interconnection System Impact Study with any Affected System that is affected by the Interconnection Request pursuant to Section 3.5 above. Transmission Provider shall utilize existing studies to the extent practicable when it performs the study. Interconnection Requests for Definitive System Impact Studies may be submitted within the DISIS Queue Cluster Window and the Transmission Provider shall perform Definitive Interconnection System Impact Studies every one-hundred-eighty (180) days. Transmission Provider shall use Reasonable Efforts to complete the Definitive Interconnection System Impact Study no later than one-hundred-twenty (120) Calendar Days after the close of the DISIS Queue Cluster Window.
- b. At the request of Interconnection Customer or at any time Transmission Provider determines that it will not meet the required time frame for completing the Definitive Interconnection System Impact Study, Transmission Provider shall notify Interconnection Customer as to the schedule status of the Definitive Interconnection System Impact Study. If Transmission Provider is unable to complete the Definitive Interconnection System Impact Study within the time period, it shall notify Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, Transmission Provider shall provide Interconnection Customer all supporting documentation, workpapers and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases for the Definitive Interconnection System Impact Study, subject to confidentiality arrangements consistent with Section 13.1.

8.6 Meeting with Transmission Provider.

Within ten (10) Business Days of providing a Definitive Interconnection System Impact Study report to Interconnection Customer, Transmission Provider, Transmission Owner and Interconnection Customer shall meet to discuss the results of the Definitive Interconnection System Impact Study.

The Interconnection Customer shall notify the Transmission Provider of its intent to remain in the DISIS Queue at the meeting with the Transmission Provider, but no later than 30 calendar days after the DISIS report is provided to the

Interconnection Customer. If the Interconnection Customer chooses to remain in the DISIS Queue, this option may be invoked by the Interconnection Customer a maximum of two additional DISIS cycles, subject to the Interconnection Customer's continued payment of study costs in accordance with Section 13.3.

8.6.1 Environmental Review.

This Section 8.6.1 applies only in the event the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP. Unless previously requested, Western-UGP shall use Reasonable Efforts to tender, within fifteen (15) Calendar Days of Transmission Provider providing the Definitive Interconnection System Impact Study report to Interconnection Customer, an Environmental Review agreement authorizing Western-UGP, at Interconnection Customer's expense, to perform environmental review of the proposed interconnection to Western-UGP's transmission facilities, including review under NEPA, 42 U.S.C. §4321, et seq., as amended, and setting forth Interconnection Customer's responsibilities in connection with such environmental review. The Environmental Review agreement shall contain a non-binding good faith estimate of the cost and timeframe for completing the Environmental Review. Interconnection Customer shall execute the environmental review agreement and return it, with the estimated funds set forth in the agreement based upon the level of Environmental Review required, to Western-UGP within thirty (30) Calendar Days after receipt by the Interconnection Customer. If an executed Environmental Review agreement and the required funds are not provided in the manner set forth above, the Interconnection Request shall be deemed withdrawn. Notwithstanding the provisions of Section 3.6, an Interconnection Customer shall have no right to cure the failure to deliver the executed Environmental Review agreement or the required funds in the timeframe identified above. If the costs incurred by Western-UGP are less than the deposit submitted by Interconnection Customer, Western-UGP shall refund the difference, without interest, as soon as the necessary vouchers are prepared. In addition, if at any time prior to the issuance of Western-UGP's final NEPA decisional document the Interconnection Customer fails to comply with the terms of the Environmental Review agreement, Western-UGP shall notify the Transmission Provider of the Interconnection Customer's failure. Upon such notification, Transmission Provider may deem the Interconnection Request withdrawn.

8.6.1.1 Environmental Review Procedures.

- a. After receipt of an executed Environmental Review agreement, Western-UGP shall use Reasonable Efforts to complete the study and issue a draft study report to Interconnection Customer within eighteen (18) months, or

the actual time required to complete the necessary level of Environmental Review.

b. At the request of Interconnection Customer or at any time Western-UGP determines that it will not meet the required time frame for completing the Environmental Review, Western-UGP shall notify Interconnection Customer as to the schedule status of the Environmental Review. If Western-UGP is unable to complete the Environmental Review within the time required, it shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required.

c. Western-UGP shall notify the Transmission Provider of the schedule status of the Environmental Review.

8.7 Interconnection Requests That Require Previously Approved Network Upgrades.

At the completion of the Definitive Interconnection System Impact Study, the Definitive Interconnection System Impact Study may identify one or more Network Upgrades previously approved for construction under Section VI of Attachment O of this Tariff (“Previously Approved Network Upgrade”) and required to be in-service prior to an Interconnection Customer’s Commercial Operation Date. If a Previously Approved Network Upgrade will not be in-service prior to the Interconnection Customer’s Commercial Operation Date, Interconnection Customer’s Commercial Operation Date may be extended for a maximum period of three (3) years pursuant to Section 4.4.4 to accommodate the in-service date for a Previously Approved Network Upgrade. If the three (3) year extension is not sufficient for a Previously Approved Network Upgrade to be placed into service prior to the Interconnection Customer’s Commercial Operation Date, the Interconnection Customer will not be tendered an Interconnection Facilities Study Agreement. The Transmission Provider shall tender a Limited Operation Interconnection Facilities Study Agreement in the form of Appendix 4A to the Interconnection Customer. If the Interconnection Customer executes the Limited Operation Interconnection Facilities Study Agreement, the Interconnection Customer agrees to the following conditions for moving into the Interconnection Facilities Study:

- a. The Generating Facility will be allowed to operate under Limited Operation in accordance with Section 8.4.3 before a Previously Approved Network Upgrade is placed into service;

- b. The Interconnection Customer will meet all requirements of the GIP;
and
- c. The Interconnection Customer will provide financial security and authorize engineering, procurement, and construction of its cost assigned Network Upgrades and interconnection facilities no later than thirty (30) days after the effective date of the GIA.

If the Interconnection Customer declines to execute the Limited Operation Interconnection Facilities Study Agreement, the Interconnection Customer may either remain in the DISIS Queue, withdraw the Interconnection Request or request a reduction in the amount of interconnection capacity in Interconnection Customer's Interconnection Request. *Interconnection Customer may elect to remain in the DISIS Queue as described in Section 8.6.*

8.8 Re-Study.

If Re-Study of the Definitive Interconnection System Impact Study is required due to a higher queued or equal priority queued project dropping out of the queue, or a modification of a higher queued project subject to Section 4.4, or re-designation of the Point of Interconnection pursuant to Section 8.2, or more than one Interconnection Customer (with similar electrical impacts as determined by the Transmission Provider) meeting all requirements of the Interconnection Facilities Study Agreement, the Transmission Provider shall notify Interconnection Customer in writing. Such Re-Study shall take no longer than sixty (60) Calendar Days from the date of notice. Any cost of Re-Study, as reduced by deposit amounts retained for other Interconnection Customer(s) under Section 13.3, shall be borne by the Interconnection Customer(s) being re-studied. Restudies will not be required of the Definitive Interconnection System Impact Study "Cluster Scenario" as the "Cluster Scenario" will be automatically re-evaluated for every open season.

After the completion of the Restudy, an Interconnection Customer that is being restudied as a result of more than one Interconnection Customer meeting all requirements of the Interconnection Facilities Study Agreement may elect to remain in the Interconnection Facilities Study Queue, return to the DISIS Queue, subject to the limitations described in Section 8.6, or withdraw its Interconnection Request and receive a refund of its security deposit in accordance with Section 8.9.b.

8.9 Interconnection Facilities Study Agreement.

Simultaneously with the delivery of the Definitive Interconnection System Impact

Study to Interconnection Customer, Transmission Provider shall provide to Interconnection Customer an Interconnection Facilities Study Agreement in the form of Appendix 4 to this GIP or a Limited Operation Interconnection Facilities Study Agreement in the form of Appendix 4A to this GIP. The Interconnection Facilities Study Agreement and the Limited Operation Interconnection Facilities Study Agreement shall provide that Interconnection Customer shall compensate Transmission Provider for the actual cost of the Interconnection Facilities Study. Within three (3) Business Days following the Definitive Interconnection System Impact Study results meeting, Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study. Interconnection Customer shall within thirty (30) Calendar Days after receipt, execute and provide to the Transmission Provider the Interconnection Facilities Study Agreement or the Limited Operation Interconnection Facilities Study Agreement, and deliver the executed Interconnection Facilities Study Agreement to Transmission Provider within thirty (30) Calendar Days after its receipt, together with the required technical data along with a security deposit equal to \$3000/MW of the plant size. This security deposit is in addition to any amount provided in Section 8.2. This security deposit shall be applied as follows:

- a. The security deposit is refundable, *with accrued interest, if any*, if the Interconnection Request is withdrawn prior to the execution of a GIA or a request to file the GIA at the Commission unexecuted unless the following conditions exist:
 1. the withdrawal of the Interconnection Request is determined by Transmission Provider to cause increased facility upgrade cost to any Interconnection Customer in the Interconnection Facilities Queue; and
 2. the total Network Upgrade cost estimates in the Interconnection Facilities Study increased by less than twenty-five percent (25%) over the Network Upgrade cost estimates in the Definitive Interconnection System Impact Study for the withdrawing Interconnection Customer.

If the security deposit is retained, it shall be applied toward the cost of constructing any Network Upgrades assigned to an Interconnection Customer as a result of the withdrawal. Any remaining funds shall be refunded to the Interconnection Customer with accrued interest, if any.

- b. *The security deposit is refundable, with accrued interest, if any, if subsequent to the payment of the security deposit the Interconnection Customer elects to return to the DISIS Queue or withdraws the Interconnection Request as a result*

of more than one Interconnection Customer moving into the Interconnection Facilities Study Queue at the same time.

- c. Following the execution of a GIA or the filing of an unexecuted GIA at the Commission, the security deposit shall be applied toward the cost of constructing any Network Upgrades and Interconnection Facilities identified in the GIA. Any remaining funds shall be refunded to the Interconnection Customer following the Commercial Operation Date or otherwise subject to terms of the GIA.

8.10 Scope of Interconnection Facilities Study.

The Interconnection Facilities Study shall specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Definitive Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility to the Transmission System. The Interconnection Facilities Study shall also identify the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear, meters, and other station equipment; the nature and estimated cost of any Transmission Owner's Interconnection Facilities and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities.

The Interconnection Facilities Study shall utilize results of the Facility Analysis from the Definitive Interconnection System Impact Study performed in accordance with Section 8.4.4.

8.11 Interconnection Facilities Study Procedures.

- a. Transmission Provider shall coordinate the Interconnection Facilities Study with any Affected System pursuant to Section 3.5 above. Transmission Provider shall utilize existing studies to the extent practicable in performing the Interconnection Facilities Study. Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within the following number of days after receipt of an executed Interconnection Facilities Study Agreement: ninety (90) Calendar Days, with no more than a +/- 20 percent cost estimate contained in the report.
- b. At the request of Interconnection Customer or at any time Transmission Provider determines that it will not meet the required time frame for completing the Interconnection Facilities Study, Transmission Provider shall notify Interconnection Customer as to the schedule status of the Interconnection Facilities Study. If Transmission Provider is unable to complete the Interconnection Facilities Study and issue a draft

Interconnection Facilities Study report within the time required, it shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required.

- c. Interconnection Customer may, within thirty (30) Calendar Days after receipt of the draft report, provide written comments to Transmission Provider, which Transmission Provider shall include in the final report. Transmission Provider shall issue the final Interconnection Facilities Study report within fifteen (15) Business Days of receiving Interconnection Customer's comments or promptly upon receiving Interconnection Customer's statement that it will not provide comments. Transmission Provider may reasonably extend such fifteen-day period upon notice to Interconnection Customer if Interconnection Customer's comments require Transmission Provider to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Report. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation, workpapers, and databases or data developed in the preparation of the Interconnection Facilities Study, subject to confidentiality arrangements consistent with Section 13.1.

8.12 Meeting with Transmission Provider.

Within ten (10) Business Days of providing a draft Interconnection Facilities Study report to Interconnection Customer, Transmission Provider, Transmission Owner and Interconnection Customer shall meet to discuss the results of the Interconnection Facilities Study.

8.13 Re-Study.

If Re-Study of the Interconnection Facilities Study is required due to a higher or equal priority queued project dropping out of the queue or a modification of a higher queued project pursuant to Section 4.4, Transmission Provider shall so notify Interconnection Customer in writing. Such Re-Study shall take no longer than sixty (60) Calendar Days from the date of notice. Any cost of Re-Study, as reduced by deposit amounts retained under Section 13.3, shall be borne by the Interconnection Customer(s) being re-studied.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment V Section 9, Attachment V Section 9, 2.0.0, A

Record Narrative Name: Attachment V Section 9 Engineering & Procurement ('E&P') Agreement

Tariff Record ID: 508

Tariff Record Collation Value: 380001728 Tariff Record Parent Identifier: 422

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

Section 9. Engineering & Procurement ('E&P') Agreement

Prior to executing a GIA, an Interconnection Customer may, in order to advance the implementation of its interconnection, request and Transmission Owner shall offer the Interconnection Customer, an E&P Agreement that authorizes Transmission Owner to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection. However, Transmission Owner shall not be obligated to offer an E&P Agreement if Interconnection Customer is in Dispute Resolution as a result of an allegation that Interconnection Customer has failed to meet any milestones or comply with any prerequisites specified in other parts of the GIP. The E&P Agreement is an optional procedure and it will not alter the Interconnection Customer's Interconnection Queue Position or In-Service Date. The E&P Agreement shall provide for Interconnection Customer to pay the cost of all activities authorized by Interconnection Customer and to make advance payments or provide other satisfactory security for such costs. An E&P Agreement executed by Western-UGP, as the Transmission Owner, requires advance payments.

Interconnection Customer shall pay the cost of such authorized activities and any cancellation costs for equipment that is already ordered for its interconnection, which cannot be mitigated as hereafter described, whether or not such items or equipment later become unnecessary. If Interconnection Customer withdraws its application for interconnection or either Party terminates the E&P Agreement, to the extent the equipment ordered can be canceled under reasonable terms, Interconnection Customer shall be obligated to pay the associated cancellation costs. To the extent that the equipment cannot be reasonably canceled, Transmission Owner may elect: (i) to take title to the equipment, in which event Transmission Owner shall refund Interconnection Customer any amounts paid by Interconnection Customer for such equipment and shall pay the cost of delivery of such equipment, or (ii) to transfer title to and deliver such equipment to Interconnection Customer, in which event Interconnection Customer shall pay any unpaid balance and cost of delivery of such equipment.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment V Section 11, Attachment V Section 11, 2.0.0, A

Record Narrative Name: Attachment V Section 11 Generator Interconnection Agreement (GIA)

Tariff Record ID: 511

Tariff Record Collation Value: 382061520 Tariff Record Parent Identifier: 422

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

Section 11. Generator Interconnection Agreement (GIA)

11.1 Tender.

Interconnection Customer shall tender comments on the draft Interconnection Facilities Study report within thirty (30) Calendar Days of receipt of the report.

Simultaneously with issuance of the final Interconnection Facilities Study report, the Transmission Provider shall tender to the Interconnection Customer a draft GIA together with draft appendices. The draft GIA shall be in the form of the Transmission Provider's FERC-approved standard form GIA, which is in Appendix 6, or Appendix 13 when Western-UGP is a Party, as the Transmission Owner, to the GIA. The Transmission Provider, Transmission Owner and the Interconnection Customer shall negotiate concerning provisions of the appendices to the draft GIA for not more than sixty (60) Calendar Days after tender of the final Interconnection Facilities Study report. If the Transmission Provider identifies that Interconnection Facilities or Network Upgrades are required on the Western-UGP Transmission System, the GIA shall be subject to completion of the appropriate NEPA level of Environmental Review. Until the required NEPA decision document is issued, no construction activities relating to the transmission facilities of Western-UGP shall commence and may impact the Commercial Operation Date for the Interconnection Request. Such NEPA related restrictions, if applicable, shall be set forth in the GIA.

11.2 Negotiation.

Notwithstanding Section 11.1, at the request of Interconnection Customer Transmission Provider and the Transmission Owner shall begin negotiations with Interconnection Customer concerning the appendices to the GIA at any time after Interconnection Customer executes the Interconnection Facilities Study Agreement. Transmission Provider, Transmission Owner and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft GIA for not more than sixty (60) Calendar Days after tender of the final Interconnection Facilities Study report. If Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft GIA pursuant to Section 11.1 and request submission of the unexecuted GIA with FERC or initiate Dispute Resolution procedures pursuant to Section 13.5. If Interconnection Customer requests termination of the negotiations, but within sixty (60) Calendar Days thereafter fails to request either the filing of the unexecuted GIA or initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if Interconnection Customer has not executed the GIA, requested filing of an unexecuted GIA, or initiated Dispute Resolution procedures pursuant to Section 13.5 within sixty (60) Calendar Days of tender of draft GIA appendices, it shall be deemed to have withdrawn its Interconnection Request. Transmission Provider shall provide to Interconnection Customer a final GIA within fifteen (15) Business Days after the completion of the negotiation process.

11.3 Execution and Filing.

Within fifteen (15) Business Days after receipt of the final GIA, Interconnection Customer shall provide Transmission Provider (A) reasonable evidence of continued Site Control or (B) posting of \$250,000, non-refundable additional

security, which shall be applied toward future construction costs. At the same time, Interconnection Customer also shall provide reasonable evidence that one or more of the following milestones in the development of the Generating Facility, at Interconnection Customer election, has been achieved: (i) the execution of a contract for the supply or transportation of fuel to the Generating Facility; (ii) the execution of a contract for the supply of cooling water to the Generating Facility; (iii) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Generating Facility; (iv) execution of a contract (or comparable evidence) for the sale of electric energy or capacity from the Generating Facility; (v) statement signed by an officer or authorized agent of the Interconnection Customer attesting the Generating Facility is included in an applicable state resource plan; (vi) other information that the Transmission Provider deems to be reasonable evidence that the Generating Facility will qualify as a Designated Resource; or (vii) application for an air, water, or land use permit. The Transmission Provider will not execute the final Generator Interconnection Agreement unless the Interconnection Customer provides the information described in this paragraph.

Within fifteen (15) Business Days after receipt of the final GIA, the Interconnection Customer shall either: (i) execute three originals of the tendered GIA and return them to Transmission Owner who will execute them and forward them to the Transmission Provider; or (ii) request in writing that Transmission Provider file with FERC a GIA in unexecuted form. As soon as practicable, but not later than thirty (30) Calendar Days after receiving either the three executed originals of the tendered GIA (if it does not conform with a FERC-approved standard form of interconnection agreement) or ten (10) Business Days after receiving the request to file an unexecuted GIA, Transmission Provider shall file the GIA with FERC, together with its explanation of any matters as to which Interconnection Customer, Transmission Owner and Transmission Provider disagree and support for the costs that Transmission Provider and/or the Transmission Owner propose to charge to Interconnection Customer under the GIA. An unexecuted GIA should contain terms and conditions deemed appropriate by Transmission Provider and the Transmission Owner for the Interconnection Request. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted GIA, they may proceed pending FERC action.

11.4 Commencement of Interconnection Activities.

If Interconnection Customer executes the final GIA, Transmission Provider, the Transmission Owner and Interconnection Customer shall perform their respective obligations in accordance with the terms of the GIA, subject to modification by FERC. Upon submission of an unexecuted GIA, Interconnection Customer, Transmission Owner and Transmission Provider shall promptly comply with the unexecuted GIA, subject to modification by FERC.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment V Section 11A, Attachment V Section 11A, 2.0.0, A

Record Narrative Name: Attachment V Section 11A Interim Generator Interconnection Agreement (Interim GIA)

Tariff Record ID: 525

Tariff Record Collation Value: 383091416 Tariff Record Parent Identifier: 422

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

Section 11A. Interim Generator Interconnection Agreement (Interim GIA)

11A.1 Availability.

Interconnection Customers with pending Interconnection Requests relating to Generating Facilities that have anticipated In-Service Dates prior to the expected completion of the Interconnection Studies pursuant to this Attachment V may request Interim Interconnection Service, execute a Interim Generator Interconnection Agreement (Interim GIA) and receive Interim Interconnection Service pursuant to the terms and conditions of this Section 11A and the Interim GIA. Execution of an Interim GIA and receipt of Interim Interconnection Service is an optional procedure and will not alter the Interconnection Customer's Interconnection Queue Position. Interim Interconnection Service may be terminated at any point that a Generating Facility with an Interconnection Request that has a higher Interconnection Queue Position goes into Commercial Operation and Transmission Provider determines that Interim Interconnection Service and Interconnection Service cannot be provided to more than one Interconnection Customer simultaneously.

11A.2 Eligibility.

Interconnection Customers shall be eligible for Interim Interconnection Service under the following conditions:

11A.2.1 Interconnection Customer has provided Transmission Provider: (i) reasonable evidence of continued Site Control or posting of \$250,000, non-refundable additional security, which shall be applied toward future construction costs; and (ii) reasonable evidence that one or more of the following milestones in the development of the Generating Facility, at Interconnection Customer election, has been achieved: (a) the execution of a contract for the supply or transportation of fuel to the Generating Facility; (b) the execution of a contract for the supply of cooling water to the Generating Facility; (c) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Generating Facility; (d) execution of a contract (or comparable evidence) for the sale of electric energy or capacity from the Generating Facility; (e) statement signed by an officer or

authorized agent of the Interconnection Customer attesting the Generating Facility is included in an applicable state resource plan; (f) other information that the Transmission Provider deems to be reasonable evidence that the Generating Facility will qualify as a Designated Resource; or (g) application for an air, water, or land use permit. The Transmission Provider will not execute the Interim Generator Interconnection Agreement unless the Interconnection Customer provides the information described in this paragraph.

11A.2.2 Interconnection Customer has met the terms and conditions to be included in Transmission Provider's Definitive Interconnection System Impact Study Queue pursuant to Section 8.2;

11A.2.3 Interconnection Customer has submitted in writing to Transmission Provider a request for Interim Interconnection Service;

11A.2.4 Interconnection Customer has entered into a study agreement pursuant to which it has agreed to pay all costs, including deposits for any additional studies deemed necessary by Transmission Provider to evaluate the feasibility of the Interconnection Customer's requested Interim Interconnection Service;

11A.2.4.1 The Interim Availability Interconnection System Impact Study will maintain the scope and procedures of the Definitive Interconnection System Impact Study with the exception that certain previous queued Interconnection Requests may not be included in the study. Such exceptions and reasons for those exceptions will be noted in the study.

11A.2.4.2 The cost of the Interim Availability Interconnection System Impact Study will be subtracted from the Customer's deposit submitted for the Definitive Interconnection System Impact Study.

11A.2.5 Transmission Provider has determined based upon the results of the additional studies, taking into account the Interconnection Customer's In-Service Date and the Transmission System topology upon such date that there will be sufficient stability and reliability margin to accommodate Interim Interconnection Service to the Interconnection Customer's Generating Facility;

11A.2.6 Interconnection Customer has executed an Interim GIA in accordance with Section 11A.3; and

11A.2.7 Interconnection Customer has provided security in accordance with Article 11.5 of the Interim GIA.

11A.3 Tender, Negotiation, Execution and Filing of Interim GIA.

11A.3.1 Upon completion of Transmission Provider's analysis referenced in Section 11A.2.5, Transmission Provider shall notify Interconnection Customer in writing whether Interim Interconnection Service is feasible. In the event that Interconnection Customer's requested Interim Interconnection Service is feasible, Transmission Provider shall tender to the Interconnection Customer a draft Interim GIA together with appendices. The draft Interim GIA shall be in the form of the Transmission Provider's FERC-approved standard form Interim GIA, which is in Appendix 8, or in Appendix 14 when Western-UGP is a Party, as the Transmission Owner, to the Interim GIA. If the Transmission Provider identifies that Interconnection Facilities or Network Upgrades are required on the Western-UGP Transmission System, the Interim GIA shall be subject to completion of the appropriate NEPA level of Environmental Review. Until the required NEPA decision document is issued, no construction activities relating to the transmission facilities of Western-UGP shall commence and may impact the Commercial Operation Date for the Interconnection Request. Such NEPA related restrictions, if applicable, shall be set forth in the Interim GIA.

11A.3.2 Transmission Provider, Transmission Owner and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft Interim GIA for not more than thirty (30) Calendar Days after tender of the draft Interim GIA, unless another time period is agreed upon by the Parties. At the conclusion of the negotiation period or sooner if the Parties have reached agreement, Transmission Provider shall tender a final Interim GIA and within ten (10) Calendar Days the Interconnection Customer shall either: (i) execute three originals of the tendered Interim GIA and return them to Transmission Owner who will execute them and forward them to the Transmission Provider; or (ii) request in writing that Transmission Provider file with FERC an Interim GIA in unexecuted form. As soon as practicable, but not later than thirty (30) Calendar Days after receiving either the three executed originals of the tendered Interim GIA (if it does not conform with a FERC-approved standard form of interim interconnection agreement) or ten (10) Business Days after receiving the request to file an unexecuted Interim GIA, Transmission Provider shall file the Interim GIA with FERC, together with its explanation of any matters as to which Interconnection Customer, Transmission Owner and Transmission Provider disagree and support for the costs that Transmission Provider and/or the Transmission Owner propose to charge to Interconnection Customer under the Interim

GIA. An unexecuted Interim GIA should contain terms and conditions deemed appropriate by Transmission Provider and the Transmission Owner for the Interconnection Request. Prior to FERC action, the Parties may agree to proceed with design, procurement, and construction of facilities and upgrades under the terms of the unexecuted Interim GIA.

11A.4 Commencement of Interim Interconnection Activities.

If Interconnection Customer executes the Interim GIA, Transmission Provider, the Transmission Owner and Interconnection Customer shall perform their respective obligations in accordance with the terms of the Interim GIA, subject to modification by FERC. Upon submission of an unexecuted Interim GIA, Interconnection Customer, Transmission Owner and Transmission Provider shall promptly comply with the unexecuted Interim GIA, subject to modification by FERC.

11A.5 Interconnection Service upon Termination of Interim GIA.

Terminating events for an Interim GIA are given in Article 2.3.1 of the Interim GIA. Upon termination of the Interim GIA for any reason, the Interim Interconnection Service shall cease. Interconnection Service, if any, associated with the Generating Facility shall be provided to Interconnection Customer by Transmission Provider pursuant to the terms and conditions of a final GIA.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment V Section 13, Attachment V Section 13, 2.0.0, A

Record Narrative Name: Attachment V Section 13 Miscellaneous

Tariff Record ID: 535

Tariff Record Collation Value: 385151208 Tariff Record Parent Identifier: 422

Proposed Date: 2015-10-01

Priority Order: 500

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Section 13. Miscellaneous

13.1 Confidentiality.

Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by either of the Parties to the other prior to the execution of a 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.

If requested by either Party, the other 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.

13.1.1 Scope.

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of the GIA; or (6) is required, in accordance with Section 13.1.6, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under the GIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

13.1.2 Release of Confidential Information.

Neither Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), employees, consultants, or to parties who may be or 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 these procedures, unless such person has first been advised of the confidentiality provisions of this Section 13.1 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section 13.1.

13.1.3 Rights.

Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other Party of Confidential Information shall not be

deemed a waiver by either Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

13.1.4 No Warranties.

By providing Confidential Information, neither Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, neither Party obligates itself to provide any particular information or Confidential Information to the other Party nor to enter into any further agreements or proceed with any other relationship or joint venture.

13.1.5 Standard of Care.

Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Party under these procedures or its regulatory requirements.

13.1.6 Order of Disclosure.

If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires either Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Party with prompt notice of such request(s) or requirement(s) so that the other Party may seek an appropriate protective order or waive compliance with the terms of the 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.

13.1.7 Remedies.

The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's Breach of its obligations under this Section 13.1. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Section 13.1, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Section 13.1, 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 Section 13.1.

13.1.8 Disclosure to FERC, its Staff, or a State.

Notwithstanding anything in this Section 13.1 to the contrary, and pursuant to 18 CFR section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to the GIP, 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 Section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Party to the 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 either of the Parties may respond before such information would be made public, pursuant to 18 CFR Section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, consistent with applicable Federal and state laws, rules and regulations.

13.1.9 Subject to the exception in Section 13.1.8, any information that a Party claims is competitively sensitive, commercial or financial information ("Confidential Information") shall not be disclosed by the other Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this GIP or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a subregional, regional or national reliability organization or planning group. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the

other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

13.1.10 This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a Breach of this provision).

13.1.11 Transmission Provider shall, at Interconnection Customer's election, destroy, in a confidential manner, or return the Confidential Information provided at the time of Confidential Information is no longer needed.

13.2 Delegation of Responsibility.

Transmission Provider may use the services of subcontractors as it deems appropriate to perform its obligations under this GIP. Transmission Provider shall remain primarily liable to Interconnection Customer for the performance of such subcontractors and compliance with its obligations of this GIP. The subcontractor shall keep all information provided confidential and shall use such information solely for the performance of such obligation for which it was provided and no other purpose.

13.3 Obligation for Study Costs.

Except as provided below, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Studies. Any difference between the study deposit and the actual cost of the applicable Interconnection Study shall be paid by or refunded, except as otherwise provided herein, to Interconnection Customer or offset against the cost of any future Interconnection Studies associated with the applicable Interconnection Request prior to beginning of any such future Interconnection Studies. Any invoices for Interconnection Studies shall include a detailed and itemized accounting of the cost of each Interconnection Study. Interconnection Customer shall pay any such undisputed costs within thirty (30) Calendar Days of receipt of an invoice therefore. Transmission Provider shall not be obligated to perform or continue to perform any studies unless Interconnection Customer has paid all undisputed amounts in compliance herewith. Milestone deposits collected in Sections 8.2 and 8.9 may also be used to pay the study costs for any restudies in accordance with Section 8.13 that affect lower-queued Interconnection Customers.

Unused study deposits provided pursuant to Section 8.2 will be refunded upon Commercial Operation. In the event that the Interconnection Customer withdraws its Interconnection Request during or after the Interconnection Facilities Study phase or terminates or suspends its interconnection agreement, Transmission Provider shall refund to Interconnection Customer such unused study deposits, less any costs associated with any studies or restudies required as a result of the withdrawal of the Interconnection Request or suspension or

termination of the interconnection agreement, including any restudies associated with any affected lower-queued customers.

13.4 Third Parties Conducting Studies.

If (i) at the time of the signing of an Interconnection Study Agreement there is disagreement as to the estimated time to complete an Interconnection Study, (ii) Interconnection Customer receives notice pursuant to Sections 6.3, 7.4 or 8.5 that Transmission Provider will not complete an Interconnection Study within the applicable timeframe for such Interconnection Study, or (iii) Interconnection Customer receives neither the Interconnection Study nor a notice under Sections 6.3, 7.4 or 8.5 within the applicable timeframe for such Interconnection Study, then Interconnection Customer may require Transmission Provider to utilize a third party consultant reasonably acceptable to Interconnection Customer and Transmission Provider to perform such Interconnection Study under the direction of Transmission Provider. At other times, Transmission Provider may also utilize a third party consultant to perform such Interconnection Study, either in response to a general request of Interconnection Customer, or on its own volition.

In all cases, use of a third party consultant shall be in accord with Article 26 of the GIA (Subcontractors) and limited to situations where Transmission Provider determines that doing so will help maintain or accelerate the study process for Interconnection Customer's pending Interconnection Request and not interfere with Transmission Provider's progress on Interconnection Studies for other pending Interconnection Requests. In cases where Interconnection Customer requests use of a third party consultant to perform such Interconnection Study, Interconnection Customer and Transmission Provider shall negotiate all of the pertinent terms and conditions, including reimbursement arrangements and the estimated study completion date and study review deadline. Transmission Provider shall convey all workpapers, data bases, study results and all other supporting documentation prepared to date with respect to the Interconnection Request as soon as practicable upon Interconnection Customer's request subject to the confidentiality provision in Section 13.1. In any case, such third party contract may be entered into with either Interconnection Customer or Transmission Provider at Transmission Provider's discretion. In the case of (iii) Interconnection Customer maintains its right to submit a claim to Dispute Resolution to recover the costs of such third party study. Such third party consultant shall be required to comply with this GIP, Article 26 of the GIA (Subcontractors), and the relevant Tariff procedures and protocols as would apply if Transmission Provider were to conduct the Interconnection Study and shall use the information provided to it solely for purposes of performing such services and for no other purposes. Transmission Provider shall cooperate with such third party consultant and Interconnection Customer to complete and issue the Interconnection Study in the shortest reasonable time.

13.5 Disputes.

In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with the GIP, or their performance, the Parties agree to resolve such dispute using the dispute resolution procedures in Section 12 of the Tariff.

13.6 Local Furnishing Bonds.

13.6.1 Transmission Owners That Own Facilities Financed by Local Furnishing or Other Tax-Exempt Bonds or That Are Tax Exempt Entities.

This provision is applicable only to a Transmission Owner that has financed facilities for the local furnishing of electric energy with tax-exempt bonds, as described in Section 142(f) of the Internal Revenue Code ("local furnishing bonds") or facilities with other bonds the interest on which is excluded from gross income under Section 103 of the Internal Revenue Code ("other tax-exempt bonds"), or that are tax-exempt entities, described in Section 501(c) of the Internal Revenue Code. Notwithstanding any other provision of this GIA and GIP, Transmission Provider shall not be required to provide Interconnection Service to Interconnection Customer pursuant to this GIA and GIP if the provision of such Interconnection Service would jeopardize the tax-exempt status of any local furnishing bond(s) or other tax-exempt bonds used to finance a Transmission Owner's facilities that would be used in providing such Interconnection Service or would jeopardize the tax-exempt status of the tax-exempt entity.

13.6.2 Alternative Procedures for Requesting Interconnection Service.

If Transmission Provider determines that the provision of Interconnection Service requested by Interconnection Customer would jeopardize the tax-exempt status of any local furnishing bond(s) or other tax-exempt bonds used to finance a Transmission Owner's facilities that would be used in providing such Interconnection Service or would jeopardize the tax-exempt status of the Transmission Owner, Transmission Provider shall advise the Interconnection Customer within thirty (30) Calendar days of receipt of the Interconnection Request.

Interconnection Customer thereafter may renew its request for interconnection using the process specified in Article 5.2(ii) of the Transmission Provider's Tariff.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment V Section 14, Attachment V Section 14, 2.0.0, A

Record Narrative Name: Attachment V Section 14 Fast Track Process

Tariff Record ID: 542

Tariff Record Collation Value: 386181104 Tariff Record Parent Identifier: 422

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1
Associated Filing Identifier:

Section 14. Fast Track Process

14.1 Applicability

The Fast Track Process is available to an Interconnection Customer proposing to interconnect its Small Generating Facility with the *Distribution System* if the Small Generating Facility's *capacity does not exceed the size limits identified in the table below. Small Generating Facilities below these limits are eligible for Fast Track review. However, Fast Track eligibility is distinct from the Fast Track Process itself, and eligibility does not imply or indicate that a Small Generating Facility will pass the Fast Track screens in section 14.2.1 below or the Supplemental Review screens in section 14.4.1 below.*

Fast Track eligibility is determined based upon the generator type, the size of the generator, voltage of the line and the location of and the type of line at the Point of Interconnection. All Small Generating Facilities connecting to lines greater than 69 kilovolt (kV) are ineligible for the Fast Track Process regardless of size. All synchronous and induction machines must be no larger than 2 MW to be eligible for the Fast Track Process, regardless of location. For certified inverter-based systems, the size limit varies according to the voltage of the line at the proposed Point of Interconnection. Certified inverter-based Small Generating Facilities located within 2.5 electrical circuit miles of a substation and on a mainline (as defined in the table below) are eligible for the Fast Track Process under the higher thresholds according to the table below. In addition to the size threshold, the Interconnection Customer's proposed Small Generating Facility must meet the codes, standards, and certification requirements of Appendices 9 and 10 of these procedures, or the Transmission Owner has to have reviewed the design or tested the proposed Small Generating Facility and is satisfied that it is safe to operate.

<i>Fast Track Eligibility for Inverter-Based Systems</i>		
<i><u>Phase to Phase Line Voltage</u></i>	<i><u>Fast Track Eligibility Regardless of Location</u></i>	<i><u>Fast Track Eligibility on a Mainline¹ and ≤ 2.5 Electrical Circuit Miles from Substation²</u></i>
<i><u>< 5 kV</u></i>	<i><u>≤ 500 kW</u></i>	<i><u>≤ 500 kW</u></i>
<i><u>≥ 5 kV and < 15 kV</u></i>	<i><u>≤ 2 MW</u></i>	<i><u>≤ 3 MW</u></i>
<i><u>≥ 15 kV and < 30 kV</u></i>	<i><u>≤ 3 MW</u></i>	<i><u>≤ 4 MW</u></i>
<i><u>≥ 30 kV and ≤ 69 kV</u></i>	<i><u>≤ 4 MW</u></i>	<i><u>≤ 5 MW</u></i>

¹ For purposes of this table, a mainline is the three-phase backbone of a circuit. It will typically constitute lines with wire sizes of 4/0 American wire gauge, 336.4 kcmil, 397.5 kcmil, 477 kcmil and 795 kcmil.

² An Interconnection Customer can determine this information about its proposed interconnection location in advance by requesting a pre-application report pursuant to Section 2.2.

14.1.1 *For purposes of Section 14.1, the Interconnection Request shall be evaluated using the maximum capacity that the Small Generating Facility is capable of injecting into the Transmission Provider's electric system. However, if the maximum capacity that the Small Generating Facility is capable of injecting into the Transmission Provider's electric system is limited (e.g., through use of a control system, power relay(s), or other similar device settings or adjustments), then the Interconnection Customer must obtain the Transmission Provider's agreement, with such agreement not to be unreasonably withheld, that the manner in which the Interconnection Customer proposes to implement such a limit will not adversely affect the safety and reliability of the Transmission Provider's system. If the Transmission Provider does not so agree, then the Interconnection Request must be withdrawn or revised to specify the maximum capacity that the Small Generating Facility is capable of injecting into the Transmission Provider's electric system without such limitations. Furthermore, nothing in this section shall prevent a Transmission Provider from considering an output higher than the limited output, if appropriate, when evaluating system protection impacts.*

14.2 Initial Review

Interconnection Customer shall submit an application in the form of Appendix 1 along with a deposit of \$1000. Within 15 Business Days after the Transmission Provider notifies the Interconnection Customer it has received a complete Interconnection Request, the Transmission Provider shall have the Transmission Owner perform an initial review using the screens set forth below. The Transmission Provider shall notify the Interconnection Customer of the results, and include with the notification copies of the analysis and data underlying the Transmission Owner's determinations under the screens.

14.2.1 Screens

14.2.1.1 The proposed Small Generating Facility's Point of Interconnection must be on a portion of the Distribution System that is subject to the Tariff.

14.2.1.2 For interconnection of a proposed Small Generating Facility to a radial distribution circuit, the aggregated generation, including the proposed Small Generating Facility, on the circuit shall not exceed 15% of the line section annual peak load as most recently measured at the substation. A line section is that portion of a Transmission Owner's electric system connected to a customer bounded by automatic sectionalizing devices or the end of the distribution line.

14.2.1.3 For interconnection of a proposed Small Generating Facility to the load side of spot network protectors, the proposed Small Generating Facility must utilize an inverter-based equipment package and, together with the aggregated other inverter-based

generation, shall not exceed the smaller of 5% of a spot network's maximum load or 50 kW.

14.2.1.4 The proposed Small Generating Facility, in aggregation with other generation on the distribution circuit, shall not contribute more than 10% to the distribution circuit's maximum fault current at the point on the high voltage (primary) level nearest the proposed point of change of ownership.

14.2.1.5 The proposed Small Generating Facility, in aggregate with other generation on the distribution circuit, shall not cause any distribution protective devices and equipment (including, but not limited to, substation breakers, fuse cutouts, and line reclosers), or Interconnection Customer equipment on the system to exceed 87.5% of the short circuit interrupting capability; nor shall the interconnection be proposed for a circuit that already exceeds 87.5% of the short circuit interrupting capability.

14.2.1.6 Using the table below, determine the type of interconnection to a primary distribution line. This screen includes a review of the type of electrical service provided to the Interconnecting Customer, including line configuration and the transformer connection to limit the potential for creating over-voltages on the Transmission Owner's electric power system due to a loss of ground during the operating time of any anti-islanding function.

Primary Distribution Line Type	Type of Interconnection to Primary Distribution Line	Result/Criteria
Three-phase, three wire	3-phase or single phase, phase-to-phase	Pass screen
Three-phase, four wire	Effectively-grounded 3 phase or Single-phase, line-to-neutral	Pass screen

14.2.1.7 If the proposed Small Generating Facility is to be interconnected on single-phase shared secondary, the aggregate generation capacity on the shared secondary, including the proposed Small Generating Facility, shall not exceed 20 kW.

14.2.1.8 If the proposed Small Generating Facility is single-phase and is to be interconnected on a center tap neutral of a 240 volt service, its addition shall not create an imbalance between the two sides of the 240 volt service of more than 20% of the nameplate rating of the service transformer.

14.2.1.9 The Small Generating Facility, in aggregate with other generation interconnected to the transmission side of a substation transformer feeding the circuit where the Small Generating Facility proposes to

interconnect shall not exceed 10 MW in an area where there are known, or posted, transient stability limitations to generating units located in the general electrical vicinity (e.g., three or four transmission busses from the point of interconnection).

14.2.1.10 No construction of facilities by the Transmission Provider on its own system shall be required to accommodate the Small Generating Facility.

14.2.1.11 Any study fees shall be based on the Transmission Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

14.2.1.12 The Interconnection Customer must pay any study costs that exceed the deposit without interest within thirty (30) calendar days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Transmission Provider shall refund such excess within thirty (30) calendar days of the invoice without interest.

14.2.1.13 Environmental Review.

In the event the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP, the Interconnection Request shall be subject to an Environmental Review as described in Section 14.3.4 of this GIP. The Interconnection Customer may request that the Environment Review begin any time after the Interconnection Request is accepted.

14.2.2 If the proposed interconnection passes the screens, the Interconnection Request shall be approved; provided however, when Western-UGP, as the Transmission Owner, is a Party to the GIA, such approval is subject to completion of the appropriate NEPA level of Environmental Review and issuance of the required NEPA decisional document as will be set forth in the GIA pursuant to Section 14.2.4. Transmission Provider will provide the Interconnection Customer a draft GIA within five Business Days after the determination that requires the Interconnection customer to pay the costs of such system modifications prior to interconnection. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4

14.2.3 If the proposed interconnection fails the screens, but both the Transmission Provider and the Transmission Owner determine that the Small Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards, the Transmission Provider shall provide the Interconnection Customer a draft GIA within five Business Days after the

determination that requires the Interconnection customer to pay the costs of such system modifications prior to interconnection. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4.

14.2.4 If the Transmission Provider identifies that Interconnection Facilities or Network Upgrades are required on the Western-UGP Transmission System, the GIA shall be subject to completion of the appropriate NEPA level of Environmental Review. Until the required NEPA decision document is issued, no construction activities relating to the transmission facilities of Western-UGP shall commence and may impact the Commercial Operation Date for the Interconnection Request. Such NEPA related restrictions, if applicable, shall be set forth in the GIA. After receiving a draft GIA from the Transmission Provider, the Interconnection Customer and the Transmission Owner shall have 30 Business Days or another mutually agreeable timeframe to sign and return the GIA, or request that the Transmission Provider file an unexecuted GIA with the Federal Energy Regulatory Commission. If the Interconnection Customer does not sign the GIA, or ask that it be filed unexecuted by the Transmission Provider within 30 Business Days, the Interconnection Request shall be deemed withdrawn. After the GIA is signed by the Parties, the interconnection of the Small Generating Facility shall proceed under the provisions of the GIA.

14.2.5 If the proposed interconnection fails the screens, *and* the Transmission Provider and Transmission Owner do not or cannot determine from the initial review that the Small Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards unless the Interconnection Customer is willing to consider minor modifications or further study, the Transmission Provider shall provide the Interconnection Customer with the opportunity to attend a customer options meeting.

14.3 Customer Options Meeting

If the Transmission Provider determines the Interconnection Request cannot be approved without (1) minor modifications at minimal cost; (2) a supplemental study or other additional studies or actions; or (3) *incurring* significant cost to address safety, reliability, or power quality problems, the Transmission Provider shall notify the Interconnection Customer *of that determination within five Business Days after the determination* and provide copies of all data and analyses underlying its conclusion. Within ten Business Days of the Transmission Provider's determination, the Transmission Provider shall offer to convene a customer options meeting with the Transmission Provider and the Transmission Owner to review possible Interconnection Customer facility modifications or the screen analysis and related results, to determine what further steps are needed to permit the Small Generating Facility to be connected safely and reliably. At the time of notification of the Transmission Provider's determination, or at the customer options meeting, the Transmission Provider/Transmission Owner shall:

14.3.1 Offer to perform facility modifications or minor modifications to the

Transmission Owner's electric system (e.g., changing meters, fuses, relay settings) and provide a non-binding good faith estimate of the limited cost to make such modifications to the Transmission Owner's electric system. *If the Interconnection Customer agrees to pay for the modifications to the Transmission Provider's electric system, the Transmission Provider will provide the Interconnection Customer with a draft GIA within ten Business Days of the customer options meeting. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4; or*

- 14.3.2** *The Transmission Provider will offer to perform a supplemental review in accordance with Section 14.4 and provide a non-binding good faith estimate of the costs of such review; or*
- 14.3.3** *The Transmission Provider will obtain the Interconnection Customer's agreement to continue evaluating the Interconnection Request under Sections 2-13.*

14.3.4 Environmental Review.

This Section 14.3.4 applies only in the event the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP. Unless previously requested, Western-UGP shall use Reasonable Efforts to tender, within fifteen (15) Calendar Days after the customer options meeting, an Environmental Review agreement authorizing Western-UGP, at Interconnection Customer's expense, to perform environmental review of the proposed interconnection to Western-UGP's transmission facilities, including review under the National Environmental Policy Act (NEPA), 42 U.S.C. §4321, et seq., as amended, and setting forth Interconnection Customer's responsibilities in connection with such environmental review. The Environmental Review agreement shall contain a non-binding good faith estimate of the cost and timeframe for completing the Environmental Review. Interconnection Customer shall execute the environmental review agreement and return it, with the estimated funds set forth in the agreement based upon the level of Environmental Review required, to Western-UGP within thirty (30) Calendar Days after receipt by the Interconnection Customer. If an executed Environmental Review agreement and the required funds are not provided in the manner set forth above, the Interconnection Request shall be deemed withdrawn. Notwithstanding the provisions of Section 3.6, an Interconnection Customer shall have no right to cure the failure to deliver the executed Environmental Review agreement or the required funds in the timeframe identified above. If the costs incurred by Western-UGP are less than the deposit submitted by Interconnection Customer, Western-UGP shall refund the difference, without interest, as soon as the necessary vouchers are prepared. In addition, if at any time prior to the issuance of Western-UGP's final NEPA decisional document the Interconnection Customer fails to comply with the terms of the Environmental Review agreement, Western-UGP shall notify the Transmission Provider of the Interconnection Customer's failure. Upon such notification, Transmission Provider reserves the right to deem the Interconnection Request withdrawn.

14.3.4.1 Environmental Review Procedures.

- a. After receipt of an executed Environmental Review agreement, Western-UGP shall use Reasonable Efforts to complete the study and issue a draft study report to Interconnection Customer within eighteen (18) months, or the actual time required to complete the necessary level of Environmental Review.
- b. At the request of Interconnection Customer or at any time Western-UGP determines that it will not meet the required time frame for completing the Environmental Review, Western-UGP shall notify Interconnection Customer as to the schedule status of the Environmental Review. If Western-UGP is unable to complete the Environmental Review within the time required, it shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required.
- c. Western-UGP shall notify the Transmission Provider of the schedule status of the Environmental Review.

14.4 Supplemental Review

14.4.1 *To accept the offer of a supplemental review, the Interconnection Customer shall agree in writing and submit a deposit for the estimated costs of the supplemental review in the amount of the Transmission Provider's good faith estimate of the costs of such review, both within 15 Business Days of the offer. If the written agreement and deposit have not been received by the Transmission Provider within such timeframe, the Interconnection Request shall continue to be evaluated under the study processes in Sections 2-13 of this GIP unless it is withdrawn by the Interconnection Customer.*

14.4.2 *The Interconnection Customer may specify the order in which the Transmission Provider will complete the screens in Section 14.4.4.*

14.4.3 The Interconnection Customer shall be responsible for the Transmission Provider's actual costs for conducting the supplemental review. The Interconnection Customer must pay any review costs that exceed the deposit within 30 calendar days of receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced costs, the Transmission Provider will return such excess within 30 calendar days of the invoice without interest.

14.4.4 Within 30 Business Days following receipt of the deposit for a supplemental review, the Transmission Provider shall (1) perform a supplemental review using the screens set forth below; (2) notify in writing the Interconnection Customer of the results; and (3) include with the notification copies of the analysis and data

underlying the Transmission Provider's determinations under the screens. Unless the Interconnection Customer provided instructions for how to respond to the failure of any of the supplemental review screens below at the time the Interconnection Customer accepted the offer of supplemental review, the Transmission Provider shall notify the Interconnection Customer following the failure of any of the screens, or if it is unable to perform the screen in Section 14.4.4.1, within two Business Days of making such determination to obtain the Interconnection Customer's permission to: (1) continue evaluating the proposed interconnection under this Section 14.4.4; (2) terminate the supplemental review and continue evaluating the Small Generating Facility under Section 2 through Section 13; or (3) terminate the supplemental review upon withdrawal of the Interconnection Request by the Interconnection Customer.

14.4.4.1 *Minimum Load Screen: Where 12 months of line section minimum load data (including onsite load but not station service load served by the proposed Small Generating Facility) are available, can be calculated, can be estimated from existing data, or determined from a power flow model, the aggregate Generating Facility capacity on the line section is less than 100% of the minimum load for all line sections bounded by automatic sectionalizing devices upstream of the proposed Small Generating Facility. If minimum load data is not available, or cannot be calculated, estimated or determined, the Transmission Provider shall include the reason(s) that it is unable to calculate, estimate or determine minimum load in its supplemental review results notification under Section 14.4.4.*

14.4.4.1.1 *The type of generation used by the proposed Small Generating Facility will be taken into account when calculating, estimating, or determining circuit or line section minimum load relevant for the application of screen in Section 14.4.4.1. Solar photovoltaic (PV) generation systems with no battery storage use daytime minimum load (i.e., 10 a.m. to 4 p.m. for fixed panel systems and 8 a.m. to 6 p.m. for PV systems utilizing tracking systems), while all other generation uses absolute minimum load.*

14.4.4.1.2 *When this screen is being applied to a Small Generating Facility that serves some station service load, only the net injection into the Transmission Provider's electric system will be considered as part of the aggregate generation.*

14.4.4.1.3 *Transmission Provider will not consider as part*

of the aggregate generation for purposes of this screen generating facility capacity known to be already reflected in the minimum load data.

14.4.4.2 *Voltage and Power Quality Screen: In aggregate with existing generation on the line section: (1) the voltage regulation on the line section can be maintained in compliance with relevant requirements under all system conditions; (2) the voltage fluctuation is within acceptable limits as defined by Institute of Electrical and Electronics Engineers (IEEE) Standard 1453, or utility practice similar to IEEE Standard 1453; and (3) the harmonic levels meet IEEE Standard 519 limits.*

14.4.4.3 *Safety and Reliability Screen: The location of the proposed Small Generating Facility and the aggregate generation capacity on the line section do not create impacts to safety or reliability that cannot be adequately addressed without application of the Study Process. The Transmission Provider shall give due consideration to the following and other factors in determining potential impacts to safety and reliability in applying this screen.*

14.4.4.3.1 *Whether the line section has significant minimum loading levels dominated by a small number of customers (e.g., several large commercial customers).*

14.4.4.3.2 *Whether the loading along the line section is uniform or even.*

14.4.4.3.3 *Whether the proposed Small Generating Facility is located in close proximity to the substation (i.e., less than 2.5 electrical circuit miles), and whether the line section from the substation to the Point of Interconnection is a Mainline rated for normal and emergency ampacity.*

14.4.4.3.4 *Whether the proposed Small Generating Facility incorporates a time delay function to prevent reconnection of the generator to the system until system voltage and frequency are within normal limits for a prescribed time.*

14.4.4.3.5 *Whether operational flexibility is reduced by the proposed Small Generating Facility, such that transfer of the line section(s) of the Small Generating Facility to a neighboring distribution circuit/substation may trigger overloads or voltage issues.*

14.4.4.3.6 *Whether the proposed Small Generating Facility employs equipment or systems certified by a recognized standards organization to address technical issues such as, but not limited to, islanding, reverse power flow, or voltage quality.*

14.4.5 *If the proposed interconnection passes the supplemental screens in Sections 14.4.4.1, 14.4.4.2, and 14.4.4.3 above, the Interconnection Request shall be approved; provided however, if the Interconnection Request will result in an interconnection to, or modification to, the transmission facilities of Western-UGP, as Transmission Owner, such approval is subject to the completion of the appropriate NEPA level of Environmental Review and issuance of the required NEPA decisional document as will be set forth in the GIA pursuant to Section 14.2.4. The Transmission Provider will provide the Interconnection Customer with a draft GIA within the timeframes established in Sections 14.4.5.1 and 14.4.5.2 below. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4. If the proposed interconnection fails any of the supplemental review screens and the Interconnection Customer does not withdraw its Interconnection Request, it shall continue to be evaluated under the study process in Section 3 through Section 13 consistent with Section 14.4.5.3 below.*

14.4.5.1 *If the proposed interconnection passes the supplemental screens in Sections 2.4.1.1, 2.4.1.2, and 2.4.1.3 above and does not require construction of facilities by the Transmission Provider on its own system, the draft GIA shall be provided within ten Business Days after the notification of the supplemental review results. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4.*

14.4.5.2 *If interconnection facilities or minor modifications to the Transmission Provider's system are required for the proposed interconnection to pass the supplemental screens in Sections 14.4.1.1, 14.4.1.2, and 14.4.1.3 above, and the Interconnection Customer agrees to pay for the modifications to the Transmission Provider's electric system, the draft GIA, along with a non-binding good faith estimate for the interconnection facilities and/or minor modifications, shall be provided to the Interconnection Customer*

within 15 Business Days after receiving written notification of the supplemental review results. Interconnection Customer and Transmission Owner shall complete negotiation of the GIA as described in Section 14.2.4.

14.4.5.3 *If the proposed interconnection would require more than interconnection facilities or minor modifications to the Transmission Provider's system to pass the supplemental screens in Sections 2.4.1.1, 2.4.1.2, and 2.4.1.3 above, the Transmission Provider shall notify the Interconnection Customer, at the same time it notifies the Interconnection Customer with the supplemental review results, that the Interconnection Request shall be evaluated under the Section 3 through Section 13 Study Process unless the Interconnection Customer withdraws its Small Generating Facility.*

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment V Appendix 3, Attachment V Appendix 3, 2.0.0, A

Record Narrative Name: Attachment V Appendix 3

Tariff Record ID: 669

Tariff Record Collation Value: 389270792 Tariff Record Parent Identifier: 422

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

APPENDIX 3 TO GIP

PRELIMINARY INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____ 20____ by and between _____ a _____ and existing under the laws of the State of _____ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System;

WHEREAS, Transmission Provider has completed an Interconnection Feasibility Study (the "Feasibility Study") and provided the results of said study to Interconnection Customer

(This recital to be omitted if Transmission Provider or Interconnection Customer does not require the Interconnection Feasibility Study.); and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform a Preliminary Interconnection System Impact Study to assess the impact of interconnecting the Generating Facility to the Transmission System, and of any Affected Systems;

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

- 1.0** When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved GIP.
- 2.0** Interconnection Customer elects and Transmission Provider shall cause to be performed a Preliminary Interconnection System Impact Study consistent with Section 7.0 of this GIP in accordance with the Tariff.
- 3.0** The scope of the Preliminary Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0** The Preliminary Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study (if performed) and the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the GIP. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Preliminary Interconnection System Impact Study. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the Preliminary Interconnection System Impact Study may be extended.
- 5.0** The Preliminary Interconnection System Impact Study report shall provide the following information:
 - identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - identification of any thermal overload or voltage limit violations resulting from the interconnection;
 - identification of any instability or inadequately damped response to system disturbances resulting from the interconnection and
 - description and non-binding, good faith estimated cost of facilities required to interconnect the Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.

- 6.0** Interconnection Customer shall provide the deposit specified under Section 7.2 of the GIP for the performance of the Preliminary Interconnection System Impact Study. Transmission Provider's good faith estimate for the time of completion of the Preliminary Interconnection System Impact Study is [insert date].

Upon receipt of the Preliminary Interconnection System Impact Study results, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Preliminary Interconnection System Impact Study.

Any difference between the deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer in accordance with Section 7.2 of the GIP.

7.0 Governing Law

- 7.1 Governance.** The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

- 7.2 Applicability.** This Agreement is subject to all applicable federal and state Laws and Regulations.

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

8.0 Notices.

- 8.1 General.** Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

Attention: _____

8.2 Alternative Forms of Notice. Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email.

9.0 Force Majeure

9.1 Economic Hardship. Economic hardship is not considered a Force Majeure event.

9.2 Default. Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state the full details 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 due diligence 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.

10.0 Indemnity

10.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, 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 action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, to assume the defense of such claim, such indemnified person 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

10.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 10.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to 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. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Provider shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 either Party will not constitute a waiver of any rights or claims either Party may have under the GIP.

14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider 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 provide notice to Interconnection Customer of a Default pursuant to Article 16. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

15.0 Representations, Warranties, and Covenants

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

- 15.1.1 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; 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 Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.
- 15.1.2 Authority.** Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement 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).
- 15.1.3 No Conflict.** The execution, delivery and performance of this Agreement 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.
- 15.1.4 Consent and Approval.** Such Party has sought or obtained, or, in accordance with this Agreement 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 Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

16.0 Breach, Cure and Default

- 16.1 General.** A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 Events of Breach. A Breach of this Agreement shall include:

- (a) The failure to pay any amount when due;
- (b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
- (c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;
- (d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;
- (e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

16.4 Right to Compel Performance. Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. Miscellaneous

- 17.1 Binding Effect.** This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 17.2 Conflicts.** In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 17.3 Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.
- 17.4 Entire Agreement.** This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.
- 17.5 No Third Party Beneficiaries.** This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 17.6 Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement for any reason by Interconnection

Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this Agreement shall, if requested, be provided in writing.

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

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

17.9 Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.

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

17.11 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither 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 Party.

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

[Insert name of Transmission Provider]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Attachment A to Appendix 3**Preliminary Interconnection System Impact
Study Agreement****ASSUMPTIONS USED IN CONDUCTING THE
PRELIMINARY INTERCONNECTION SYSTEM IMPACT STUDY**

The Preliminary Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study (if performed), subject to any modifications in accordance with Section 4.4 of the GIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

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

[Above assumptions to be completed by Interconnection Customer and other assumptions to be provided by Interconnection Customer and Transmission Provider]

**GENERATING FACILITY DATA FOR THE
PRELIMINARY INTERCONNECTION SYSTEM IMPACT STUDY****UNIT RATINGS**

Nameplate kVA _____ °F _____ Voltage _____
 Prime Mover type _____
 Power Factor: Lead _____ Lag _____
 Speed (RPM) _____ Connection (e.g. Wye)

 Short Circuit Ratio _____ Frequency, Hertz _____
 Stator Amperes at Rated kVA _____ Field Volts _____
 Max Turbine Power: Summer MW _____ °F _____
 Winter MW _____ °F _____

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = _____ kW sec/kVA
 Moment-of-Inertia, WR^2 = _____ lb. ft.²

REACTANCE DATA (PER UNIT-RATED KVA)**DIRECT AXIS****QUADRATURE AXIS**

Synchronous – saturated	X_{dv}	_____	X_{qv}	_____
Synchronous – unsaturated	X_{di}	_____	X_{qi}	_____
Transient – saturated	X'_{dv}	_____	X'_{qv}	_____
Transient – unsaturated	X'_{di}	_____	X'_{qi}	_____
Subtransient – saturated	X''_{dv}	_____	X''_{qv}	_____
Subtransient – unsaturated	X''_{di}	_____	X''_{qi}	_____
Negative Sequence – saturated	X_{2v}	_____		
Negative Sequence – unsaturated	X_{2i}	_____		
Zero Sequence – saturated	X_{0v}	_____		
Zero Sequence – unsaturated	X_{0i}	_____		
Leakage Reactance	X_{lm}	_____		

FIELD TIME CONSTANT DATA (SEC)

Open Circuit	T'_{do}	_____	T'_{qo}	_____
Three-Phase Short Circuit Transient	T'_{d3}	_____	T'_q	_____
Line to Line Short Circuit Transient	T'_{d2}	_____		
Line to Neutral Short Circuit Transient	T'_{d1}	_____		
Short Circuit Subtransient	T''_d	_____	T''_q	_____
Open Circuit Subtransient	T''_{do}	_____	T''_{qo}	_____

ARMATURE TIME CONSTANT DATA (SEC)

Three Phase Short Circuit	T_{a3}	_____
Line to Line Short Circuit	T_{a2}	_____
Line to Neutral Short Circuit	T_{a1}	_____

NOTE: If requested information is not applicable, indicate by marking "N/A."

MW CAPABILITY AND PLANT CONFIGURATION GENERATING FACILITY DATA

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

Positive	R_1	_____
Negative	R_2	_____
Zero	R_0	_____

Rotor Short Time Thermal Capacity $I_2^2 t =$ _____

Field Current at Rated kVA, Armature Voltage and PF = _____ amps

Field Current at Rated kVA and Armature Voltage, 0 PF = _____ amps

Three Phase Armature Winding Capacitance = _____ microfarad

Field Winding Resistance = _____ ohms _____ °C

Armature Winding Resistance (Per Phase) = _____ ohms _____ °C

CURVES

Provide Saturation, Vee, Reactive Capability, Capacity Temperature Correction curves. Designate normal and emergency Hydrogen Pressure operating range for multiple curves.

GENERATOR STEP-UP TRANSFORMER DATA RATINGS

Capacity Self-cooled/
Maximum Nameplate
_____/_____ kVA

Voltage Ratio (Generator Side/System side/Tertiary)
_____/_____/_____ kV

Winding Connections (Low V/High V/Tertiary V (Delta or Wye))
_____/_____/_____

Fixed Taps Available _____

Present Tap Setting _____

Impedance: Positive Z_1 (on self-cooled kVA rating) _____ %
X/R

Impedance: Zero Z_0 (on self-cooled kVA rating) _____ %
X/R

EXCITATION SYSTEM DATA

Identify appropriate IEEE model block diagram of excitation system and power system stabilizer (PSS) for computer representation in power system stability simulations and the corresponding excitation system and PSS constants for use in the model.

GOVERNOR SYSTEM DATA

Identify appropriate IEEE model block diagram of governor system for computer representation in power system stability simulations and the corresponding governor system constants for use in the model.

WIND GENERATORS

Number of generators to be interconnected pursuant to this Interconnection Request:

Elevation: _____ Single Phase _____ Three Phase

Inverter manufacturer, model name, number, and version:

List of adjustable setpoints for the protective equipment or software:

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet or other compatible formats, such as IEEE and PTI power flow models, must be supplied with the Interconnection Request. If other data sheets are more appropriate to the proposed device, then they shall be provided and discussed at Scoping Meeting.

INDUCTION GENERATORS

- (*) Field Volts: _____
- (*) Field Amperes: _____
- (*) Motoring Power (kW): _____
- (*) Neutral Grounding Resistor (If Applicable): _____
- (*) I_2^2t or K (Heating Time Constant): _____
- (*) Rotor Resistance: _____
- (*) Stator Resistance: _____
- (*) Stator Reactance: _____
- (*) Rotor Reactance: _____
- (*) Magnetizing Reactance: _____
- (*) Short Circuit Reactance: _____
- (*) Exciting Current: _____
- (*) Temperature Rise: _____
- (*) Frame Size: _____
- (*) Design Letter: _____
- (*) Reactive Power Required In Vars (No Load): _____
- (*) Reactive Power Required In Vars (Full Load): _____
- (*) Total Rotating Inertia, H: _____ Per Unit on KVA Base

Note: Please consult Transmission Provider prior to submitting the Interconnection Request to determine if the information designated by (*) is required.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment V Appendix 3A, Attachment V Appendix 3A, 2.0.0, A

Record Narrative Name: Attachment V Appendix 3A

Tariff Record ID: 671

Tariff Record Collation Value: 390300688 Tariff Record Parent Identifier: 422

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

APPENDIX 3A TO GIP

DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____ 20____ by and between _____ a _____ and existing under the laws of the State of _____ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System;

WHEREAS, Transmission Provider has completed a Preliminary Interconnection System Impact Study and provided the results of said study to Interconnection Customer (This recital to be omitted if Interconnection Customer did not participate in Preliminary Interconnection System Impact Study); and

WHEREAS, Interconnection Customer has participated in a Preliminary Interconnection System Impact Study and wishes to participate in the Definitive Interconnection System Impact Study or has requested Transmission Provider to perform a Definitive Interconnection System Impact Study to assess the impact of interconnecting the Generating Facility to the Transmission System, and of any Affected Systems;

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

- 1.0** When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved GIP.

- 2.0** Interconnection Customer elects and Transmission Provider shall cause to be performed a Definitive Interconnection System Impact Study consistent with Section 8.0 of this GIP in accordance with the Tariff.
- 3.0** The scope of the Definitive Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0** The Definitive Interconnection System Impact Study will be based upon the results of the Preliminary Interconnection System Impact Study and the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the GIP. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Definitive Interconnection System Impact Study. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the Definitive Interconnection System Impact Study may be extended.
- 5.0** The Definitive Interconnection System Impact Study report shall provide the following information:
- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - identification of any thermal overload or voltage limit violations resulting from the interconnection;
 - identification of any instability or inadequately damped response to system disturbances resulting from the interconnection;
 - description and non-binding, good faith estimated cost of facilities required to interconnect the Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues; and
 - will include a Facilities Analysis as specified in Section 8.4.4 that will provide cost estimates for Transmission Owner's Interconnection Facilities and Network Upgrades at the Point of Interconnection.
- 6.0** Interconnection Customer shall provide the deposit specified under Section 8.2 of the GIP for the performance of the Definitive Interconnection System Impact Study. Transmission Provider's good faith estimate for the time of completion of the Definitive Interconnection System Impact Study is [insert date].

Upon receipt of the Definitive Interconnection System Impact Study results, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Definitive Interconnection System Impact Study.

Any difference between the deposit and Interconnection Customer's study cost obligation shall be paid by or refunded to Interconnection Customer, as appropriate per Section 13.3 of the Generator Interconnection Procedures.

7.0 Governing Law

7.1 Governance. The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 Applicability. This Agreement is subject to all applicable federal and state Laws and Regulations.

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

8.0 Notices.

8.1 General. Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

Attention: _____

8.2 Alternative Forms of Notice. Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email.

9.0 Force Majeure

9.1 Economic Hardship. Economic hardship is not considered a Force Majeure event.

9.2 Default. Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state the full details 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 due diligence 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.

10.0 Indemnity

10.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, 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 action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, to assume the defense of such claim, such indemnified person 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

10.1.3 Indemnity Procedures. Promptly after receipt by an indemnified

person 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 10.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to 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. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount

remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Provider shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 either Party will not constitute a waiver of any rights or claims either Party may have under the GIP.

14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider 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 provide notice to Interconnection Customer of a Default pursuant to Article 16. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

15.0 Representations, Warranties, and Covenants

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

15.1.1 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; 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

Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement 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).

15.1.3 No Conflict. The execution, delivery and performance of this Agreement 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.

15.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement 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 Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

16.0 Breach, Cure and Default

16.1 General. A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 Events of Breach. A Breach of this Agreement shall include:

- (a) The failure to pay any amount when due;
- (b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
- (c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in

bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;

(d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;

(e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

16.4 Right to Compel Performance. Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. Miscellaneous

17.1 Binding Effect. This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

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

- 17.3 Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.
- 17.4 Entire Agreement.** This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.
- 17.5 No Third Party Beneficiaries.** This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 17.6 Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.
- Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this Agreement shall, if requested, be provided in writing.
- 17.7 Headings.** The descriptive headings of the various Articles of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 17.8 Multiple Counterparts.** This Agreement may be executed in two or more

counterparts, each of which is deemed an original but all constitute one and the same instrument.

17.9 Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.

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

17.11 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither 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 Party.

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

[Insert name of Transmission Provider]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Attachment A to Appendix 3A**Definitive Interconnection System Impact
Study Agreement****ASSUMPTIONS USED IN CONDUCTING THE
DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY**

The Definitive Interconnection System Impact Study will be based upon the information set forth in the Interconnection Requests and results of applicable prior studies, subject to any modifications in accordance with Section 4.4 of the GIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

[Above assumptions to be completed by Interconnection Customer and other assumptions to be provided by Interconnection Customer, Transmission Owner and Transmission Provider]

**GENERATING FACILITY DATA FOR THE
DEFINITIVE INTERCONNECTION SYSTEM IMPACT STUDY****UNIT RATINGS**

Nameplate kVA _____ °F _____ Voltage _____
 Prime Mover type _____
 Power Factor: Lead _____ Lag _____ Connection (e.g. Wye)
 Speed (RPM) _____
 Short Circuit Ratio _____ Frequency, Hertz _____
 Stator Amperes at Rated kVA _____ Field Volts _____
 Max Turbine Power: Summer MW _____ °F _____
 Winter MW _____ °F _____

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = _____ kW sec/kVA
 Moment-of-Inertia, WR^2 = _____ lb. ft.²

REACTANCE DATA (PER UNIT-RATED KVA)**DIRECT AXIS****QUADRATURE AXIS**

Synchronous – saturated	X_{dv}	_____	X_{qv}	_____
Synchronous – unsaturated	X_{di}	_____	X_{qi}	_____

Transient – saturated	X'_{dv}	_____	X'_{qv}	_____
Transient – unsaturated	X'_{di}	_____	X'_{qi}	_____
Subtransient – saturated	X''_{dv}	_____	X''_{qv}	_____
Subtransient – unsaturated	X''_{di}	_____	X''_{qi}	_____
Negative Sequence – saturated	$X2_v$	_____		
Negative Sequence – unsaturated	$X2_i$	_____		
Zero Sequence – saturated	$X0_v$	_____		
Zero Sequence – unsaturated	$X0_i$	_____		
Leakage Reactance	Xl_m	_____		

FIELD TIME CONSTANT DATA (SEC)

Open Circuit	T'_{do}	_____	T'_{qo}	_____
Three-Phase Short Circuit Transient	T'_{d3}	_____	T'_q	_____
Line to Line Short Circuit Transient	T'_{d2}	_____		
Line to Neutral Short Circuit Transient	T'_{d1}	_____		
Short Circuit Subtransient	T''_d	_____	T''_q	_____
Open Circuit Subtransient	T''_{do}	_____	T''_{qo}	_____

ARMATURE TIME CONSTANT DATA (SEC)

Three Phase Short Circuit	T_{a3}	_____
Line to Line Short Circuit	T_{a2}	_____
Line to Neutral Short Circuit	T_{a1}	_____

NOTE: If requested information is not applicable, indicate by marking "N/A."

**MW CAPABILITY AND PLANT CONFIGURATION
GENERATING FACILITY DATA**

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

Positive	R_1	_____
Negative	R_2	_____
Zero	R_0	_____

Rotor Short Time Thermal Capacity $I_2^2 t =$ _____

Field Current at Rated kVA, Armature Voltage and PF = _____ amps

Field Current at Rated kVA and Armature Voltage, 0 PF = _____ amps

Three Phase Armature Winding Capacitance = _____ microfarad

Field Winding Resistance = _____ ohms _____ °C

Armature Winding Resistance (Per Phase) = _____ ohms _____ °C

CURVES

Provide Saturation, Vee, Reactive Capability, Capacity Temperature Correction curves. Designate normal and emergency Hydrogen Pressure operating range for multiple curves.

GENERATOR STEP-UP TRANSFORMER DATA RATINGS

Capacity Self-cooled/
Maximum Nameplate
_____/_____ kVA

Voltage Ratio (Generator Side/System side/Tertiary)
_____/_____/_____ kV

Winding Connections (Low V/High V/Tertiary V (Delta or Wye))
_____/_____/_____

Fixed Taps Available _____

Present Tap Setting _____

Impedance: Positive Z_1 (on self-cooled kVA rating) _____ %
X/R

Impedance: Zero Z_0 (on self-cooled kVA rating) _____ %
X/R

EXCITATION SYSTEM DATA

Identify appropriate IEEE model block diagram of excitation system and power system stabilizer (PSS) for computer representation in power system stability simulations and the corresponding excitation system and PSS constants for use in the model.

GOVERNOR SYSTEM DATA

Identify appropriate IEEE model block diagram of governor system for computer representation in power system stability simulations and the corresponding governor system constants for use in the model.

WIND GENERATORS

Number of generators to be interconnected pursuant to this Interconnection Request:

Elevation: _____ Single Phase _____ Three Phase

Inverter manufacturer, model name, number, and version:

List of adjustable setpoints for the protective equipment or software:

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet or other compatible formats, such as IEEE and PTI power flow models, must be supplied with the Interconnection Request. If other data sheets are more appropriate to the proposed device, then they shall be provided and discussed at Scoping Meeting.

INDUCTION GENERATORS

- (*) Field Volts: _____
- (*) Field Amperes: _____
- (*) Motoring Power (kW): _____
- (*) Neutral Grounding Resistor (If Applicable): _____
- (*) I_2^2t or K (Heating Time Constant): _____
- (*) Rotor Resistance: _____
- (*) Stator Resistance: _____
- (*) Stator Reactance: _____
- (*) Rotor Reactance: _____
- (*) Magnetizing Reactance: _____
- (*) Short Circuit Reactance: _____
- (*) Exciting Current: _____
- (*) Temperature Rise: _____
- (*) Frame Size: _____
- (*) Design Letter: _____
- (*) Reactive Power Required In Vars (No Load): _____
- (*) Reactive Power Required In Vars (Full Load): _____
- (*) Total Rotating Inertia, H: _____ Per Unit on KVA Base

Note: Please consult Transmission Provider prior to submitting the Interconnection Request to determine if the information designated by (*) is required.

Record Narrative Name: Attachment V Appendix 4
Tariff Record ID: 673
Tariff Record Collation Value: 391330584 Tariff Record Parent Identifier: 422
Proposed Date: 2015-10-01
Priority Order: 500
Record Change Type: CHANGE
Record Content Type: 1
Associated Filing Identifier:

APPENDIX 4 TO GIP

INTERCONNECTION FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ of _____ 20__ by and between _____ a _____ and existing under the laws of the State of _____ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System;

WHEREAS, Transmission Provider has completed a Definitive Interconnection System Impact Study (the "System Impact Study") and provided the results of said study to Interconnection Customer; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform an Interconnection Facilities Study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Definitive Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility to the Transmission System.

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

- 1.0** When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved GIP.
- 2.0** Interconnection Customer elects and Transmission Provider shall cause an Interconnection Facilities Study consistent with Section 8.0 of this GIP to be performed in accordance with the Tariff.
- 3.0** The scope of the Interconnection Facilities Study shall be subject to the

assumptions set forth in Attachment A and the data provided in Attachment B to this Agreement.

- 4.0** The Interconnection Facilities Study report (i) shall provide a description, estimated cost of (consistent with Attachment A), schedule for required facilities to interconnect the Generating Facility to the Transmission System and (ii)

shall address the short circuit, instability, and power flow issues identified in the Definitive Interconnection System Impact Study.

- 5.0** Interconnection Customer shall meet the milestone requirements specified under Section 8.9 of the GIP prior to the performance of the Interconnection Facilities Study. The time for completion of the Interconnection Facilities Study is specified in Attachment A.

Transmission Provider shall invoice Interconnection Customer on a monthly basis for the work to be conducted on the Interconnection Facilities Study each month. Interconnection Customer shall pay invoiced amounts within thirty (30) Calendar Days of receipt of invoice. Transmission Provider shall continue to hold the amounts on deposit until settlement of the final invoice. Any difference between the applicable deposits specified under Section 8.2 of the GIP and Interconnection Customer's share of study costs shall be paid by or refunded to Interconnection Customer, as appropriate per Section 13.3 of the GIP.

- 6.0 Reserved.**

7.0 Governing Law

- 7.1 Governance.** The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

- 7.2 Applicability.** This Agreement is subject to all applicable federal and state Laws and Regulations.

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

8.0 Notices.

- 8.1 General.** Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

Attention: _____

8.2 Alternative Forms of Notice. Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email.

9.0 Force Majeure

9.1 Economic Hardship. Economic hardship is not considered a Force Majeure event.

9.2 Default. Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state the full details 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 due diligence 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.

10.0 Indemnity

10.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, 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 Partys' action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, to assume the defense of such claim, such indemnified person 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

10.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 10.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to 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. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under

this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

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Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider 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 provide notice to Interconnection Customer of a Default pursuant to Article 16. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

15.0 Representations, Warranties, and Covenants

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

15.1.1 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; 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 Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement 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).

15.1.3 No Conflict. The execution, delivery and performance of this Agreement 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.

15.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement 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 Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

16.0 Breach, Cure and Default

16.1 General. A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions of Section 17.4.

16.2 Events of Breach. A Breach of this Agreement shall include:

- (a) The failure to pay any amount when due;
- (b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
- (c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;
- (d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;
- (e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the "Non-Breaching Party"), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the "Breaching Party") and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently

pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

- 16.4 Right to Compel Performance.** Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. Miscellaneous

- 17.1 Binding Effect.** This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

- 17.2 Conflicts.** In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.

- 17.3 Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

- 17.4 Entire Agreement.** This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

- 17.5 No Third Party Beneficiaries.** This Agreement is not intended to and does not

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

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

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

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

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

- 17.9 Amendment.** The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.

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

- 17.11 No Partnership.** This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither 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 Party.

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

[Insert name of Transmission Provider]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

**Attachment A To Appendix 4
Interconnection Facilities
Study Agreement**

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

Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within the following number of days after receipt of an executed copy of this Interconnection Facilities Study Agreement:

- ninety (90) Calendar Days with no more than a +/- 20 percent cost estimate contained in the report.

**Attachment B to Appendix 4
Interconnection Facilities
Study Agreement**

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

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

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

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

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

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

_____ Yes _____ No

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

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

What protocol does the control system or PLC use?

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

Physical dimensions of the proposed interconnection station:

Bus length from generation to interconnection station:

Line length from interconnection station to Transmission Provider's transmission line.

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

Number of third party easements required for transmission lines*:

* To be completed in coordination with Transmission Provider.

Is the Generating Facility in the Transmission Provider's service area?

_____ Yes _____ No Local provider: _____

Please provide proposed schedule dates:

Begin Construction Date: _____

Generator step-up transformer Date: _____

receives back feed power

Generation Testing Date: _____

Commercial Operation Date: _____

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Att. V Appendix 4A, Attachment V Appendix 4A, 1.0.0, A

Record Narrative Name: Attachment V Appendix 4A

Tariff Record ID: 1290

Tariff Record Collation Value: 392330584 Tariff Record Parent Identifier: 422

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

APPENDIX 4A TO GIP

LIMITED OPERATION INTERCONNECTION FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ of _____ 20__ by and between _____ a _____ and existing under the laws of the State of _____ ("Interconnection Customer") and Southwest Power Pool, Inc. a non-profit organization under the laws of the State of Arkansas ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is proposing to develop a Generating Facility or

generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated _____, and

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System;

WHEREAS, Transmission Provider has completed a Definitive Interconnection System Impact Study (the "System Impact Study") that requires Limited Operation in accordance with Section 8.4.3 as being necessary for the Interconnection Request and has provided the results of said study to Interconnection Customer; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform an Interconnection Facilities Study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Definitive Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility to the Transmission System.

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

- 1.0** When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved GIP.
- 2.0** Interconnection Customer elects and Transmission Provider shall cause an Interconnection Facilities Study consistent with Section 8.0 of this GIP to be performed in accordance with the Tariff.
- 3.0** The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A and the data provided in Attachment B to this Agreement.
- 4.0** The Interconnection Facilities Study report (i) shall provide a description, estimated cost of (consistent with Attachment A), schedule for required facilities to interconnect the Generating Facility to the Transmission System and (ii) shall address the short circuit, instability, and power flow issues identified in the Definitive Interconnection System Impact Study.
- 5.0** Interconnection Customer shall meet the milestone requirements specified under Section 8.9 of the GIP prior to the performance of the Interconnection Facilities Study. The time for completion of the Interconnection Facilities Study is specified in Attachment A.

Transmission Provider shall invoice Interconnection Customer on a monthly basis for the work to be conducted on the Interconnection Facilities Study each month. Interconnection Customer shall pay invoiced amounts within thirty (30) Calendar Days of receipt of invoice. Transmission Provider shall continue to hold the amounts on deposit until settlement of the final invoice. Any difference between the applicable deposits specified under Section 8.2 of the GIP and Interconnection

Customer's share of study costs shall be paid by or refunded to Interconnection Customer, as appropriate per Section 8.9 of the GIP.

6.0 Conditions for Limited Operation. Interconnection Customer agrees to the following conditions:

1. The Generating Facility will be allowed to operate under Limited Operation in accordance with Section 8.4.3 of the GIP before a Network Upgrades previously approved for construction under Section VI of Attachment O of this Tariff ("Previously Approved Network Upgrade") is placed into service;
2. The Interconnection Customer will meet all requirements of the GIP; *and*
3. The Interconnection Customer will provide financial security and authorize engineering, procurement, and construction of its cost assigned Network Upgrades and interconnection facilities no later than thirty (30) days after the effective date of the GIA.

7.0 **Governing Law**

7.1 **Governance.** The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

7.2 **Applicability.** This Agreement is subject to all applicable federal and state Laws and Regulations.

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

8.0 **Notices.**

8.1 **General.** Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Attention: Manager, GI Studies

To Interconnection Customer:

Attention: _____

8.2 Alternative Forms of Notice. Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email.

9.0 Force Majeure

9.1 Economic Hardship. Economic hardship is not considered a Force Majeure event.

9.2 Default. Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state the full details 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 due diligence 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.

10.0 Indemnity

10.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, 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 action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

- 10.1.1 Indemnified Person.** If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, to assume the defense of such claim, such indemnified person 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.
- 10.1.2 Indemnifying Party.** If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.
- 10.1.3 Indemnity Procedures.** Promptly after receipt by an indemnified person 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 10.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding

involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to 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. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

- 13.1 Comparability.** The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

- 14.1 General.** The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.
- 14.2 Study Deposits.** The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.
- 14.3 Final Invoice.** Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Provider shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of the studies within thirty (30) Calendar Days of the issuance of such final study invoice.
- 14.4 Payment.** Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 either Party will not constitute a waiver of any rights or claims either Party may have under the GIP.
- 14.5 Disputes.** In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider 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 provide notice to Interconnection Customer of a

Default pursuant to Article 16. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

15.0 Representations, Warranties, and Covenants

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

15.1.1 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; 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 Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement 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).

15.1.3 No Conflict. The execution, delivery and performance of this Agreement 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.

15.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement 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 Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

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- (a) The failure to pay any amount when due;
- (b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
- (c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;
- (d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;
- (e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the "Non-Breaching Party"), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the "Breaching Party") and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

16.4 Right to Compel Performance. Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to:

(1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. Miscellaneous

17.1 Binding Effect. This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

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

17.3 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.

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

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

17.6 Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered

a waiver of any obligation, right, or duty of, or imposed upon, such Party.

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

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

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

17.11 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither 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 Party.

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

[Insert name of Transmission Provider]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

**Attachment A To Appendix 4A
Limited Operation
Interconnection Facilities
Study Agreement**

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

Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within the following number of days after receipt of an executed copy of this Interconnection Facilities Study Agreement:

- ninety (90) Calendar Days with no more than a +/- 20 percent cost estimate contained in the report.

**Attachment B to Appendix 4A
Limited Operation
Interconnection Facilities
Study Agreement**

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

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

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

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

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

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

_____ Yes _____ No

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

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

What protocol does the control system or PLC use?

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

Physical dimensions of the proposed interconnection station:

Bus length from generation to interconnection station:

Line length from interconnection station to Transmission Provider's transmission line.

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

Number of third party easements required for transmission lines*:

* To be completed in coordination with Transmission Provider.

Is the Generating Facility in the Transmission Provider's service area?

_____ Yes _____ No Local provider: _____

Please provide proposed schedule dates:

Begin Construction Date: _____

Generator step-up transformer Date: _____

receives back feed power

Generation Testing Date: _____

Commercial Operation Date: _____

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment V Appendix 5, Attachment V Appendix 5, 2.0.0, A

Record Narrative Name: Attachment V Appendix 5

Tariff Record ID: 677

Tariff Record Collation Value: 392360480 Tariff Record Parent Identifier: 422

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

APPENDIX 5 TO GIP

INTERIM AVAILABILITY INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____ 20____
by and between _____ a _____ and existing under the laws of the
State of _____ ("Interconnection Customer") and Southwest Power Pool, Inc. a
non-profit organization under the laws of the State of Arkansas ("Transmission Provider").
Interconnection Customer and Transmission Provider each may be referred to as a "Party," or
collectively as the "Parties."

RECITALS

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

WHEREAS, Interconnection Customer has a fully executed Definitive Interconnection System Impact Study Agreement and has submitted all requirements and milestones to be included in the Definitive Interconnection System Impact Study Queue;

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System on an interim basis before all such required studies under the GIP can be completed;

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

- 1.0** When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's FERC-approved GIP.
- 2.0** Interconnection Customer elects and Transmission Provider shall cause to be performed an Interim Availability Interconnection System Impact Study as described in Section 11A.2.4.1 of this GIP.
- 3.0** The scope of the Interim Availability Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0** The Interim Availability Interconnection System Impact Study will be based upon the technical information provided by Interconnection Customer in the Interconnection Request. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interim Availability Interconnection System Impact Study.
- 5.0** The Interim Availability Interconnection System Impact Study report shall provide the following information:
 - identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - identification of any thermal overload or voltage limit violations resulting from the interconnection;
 - identification of any instability or inadequately damped response to system disturbances resulting from the interconnection and
 - description and non-binding, good faith estimated cost of facilities required to interconnect the Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.

- 6.0** Interconnection Customer shall provide the deposit specified under Section 8.2 of the GIP for the performance of the Interim Availability Interconnection System Impact Study. Transmission Provider's good faith estimate for the time of completion of the Interim Availability Interconnection System Impact Study is [insert date].

Upon receipt of the Interim Availability Interconnection System Impact Study results, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interim Availability Interconnection System Impact Study.

Any difference between the deposit and Interconnection Customer's study cost obligation shall be paid by or refunded to Interconnection Customer, as appropriate per Section 13.3 of the Generator Interconnection Procedures.

7.0 Governing Law

- 7.1 Governance.** The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the United States of America except to the extent that the laws of the state of Arkansas may apply.

- 7.2 Applicability.** This Agreement is subject to all applicable federal and state Laws and Regulations.

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

8.0 Notices.

- 8.1 General.** Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party in writing to the other 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.

To Transmission Provider:

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Attention: Manager, GI Studies

To Interconnection Customer:

Attention: _____

8.2 Alternative Forms of Notice. Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email.

9.0 Force Majeure

9.1 Economic Hardship. Economic hardship is not considered a Force Majeure event.

9.2 Default. Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 10), 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 Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state the full details 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 due diligence 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.

10.0 Indemnity

10.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, 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 action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

10.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 10 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 10.1, to assume

the defense of such claim, such indemnified person 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.

10.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 10, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

10.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 10.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the

reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

10.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this Agreement 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.

11.0 Assignment

11.1 Assignment. This Agreement may be assigned by either Party only with the written consent of the other Party; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to 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. Any attempted assignment that violates this Article or Applicable Laws and Regulations is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

12.0 Severability

12.1 Severability. If any provision in this Agreement 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 Agreement.

13.0 Comparability

13.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

14.0 Deposits and Invoice Procedures

14.1 General. The Transmission Provider and the Interconnection Customer 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 the GIP, including credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

14.2 Study Deposits. The Interconnection Customer shall provide study deposits, in accordance with the GIP to the Transmission Provider. The study deposits amounts and schedule shall be in accordance with the GIP.

14.3 Final Invoice. Within six months after completion of the studies Transmission Provider shall provide an invoice of the final cost of the studies and shall set forth such costs in sufficient detail to enable the Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Provider shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of the studies within thirty (30) Calendar Days of the issuance of such final study invoice.

14.4 Payment. Invoices shall be rendered to the paying Party at the address specified in the Interconnection Request in Appendix 1 to the GIP. 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 either Party will not constitute a waiver of any rights or claims either Party may have under the GIP.

14.5 Disputes. In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide studies for Interconnection Service under the GIP as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider 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 provide notice to Interconnection Customer of a Default pursuant to Article 16. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

15.0 Representations, Warranties, and Covenants

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

15.1.1 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; 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 Agreement and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

15.1.2 Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement 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).

15.1.3 No Conflict. The execution, delivery and performance of this Agreement 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.

15.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement 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 Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

16.0 Breach, Cure and Default

16.1 General. A breach of this Agreement ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of this Agreement. A default of this Agreement ("Default") shall occur upon the failure of a Party in Breach of this Agreement to cure such Breach in accordance with the provisions

of Section 17.4.

16.2 Events of Breach. A Breach of this Agreement shall include:

- (a) The failure to pay any amount when due;
- (b) The failure to comply with any material term or condition of this Agreement, including but not limited to any material Breach of a representation, warranty or covenant made in this Agreement;
- (c) If a Party: (1) becomes insolvent; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;
- (d) Assignment of this Agreement in a manner inconsistent with the terms of this Agreement;
- (e) Failure of any Party to provide information or data to the other Party as required under this Agreement, provided the Party entitled to the information or data under this Agreement requires such information or data to satisfy its obligations under this Agreement.

16.3 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the “Non-Breaching Party”), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the “Breaching Party”) and to any other person a Party to this Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach, within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default of the Agreement.

16.4 Right to Compel Performance. Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law.

17. Miscellaneous

- 17.1 Binding Effect.** This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 17.2 Conflicts.** In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 17.3 Rules of Interpretation.** This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder.
- 17.4 Entire Agreement.** This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.
- 17.5 No Third Party Beneficiaries.** This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 17.6 Waiver.** The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other

failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this Agreement shall, if requested, be provided in writing.

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

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

17.9 Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.

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

17.11 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither 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 Party.

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

[Insert name of Transmission Provider]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Attachment A to Appendix 5
Interim Availability Interconnection System Impact
Study Agreement

ASSUMPTIONS USED IN CONDUCTING THE
INTERIM AVAILABILITY INTERCONNECTION SYSTEM IMPACT STUDY

The Interim Availability Interconnection System Impact Study will be based upon the information set forth in the Interconnection Requests and results of applicable prior studies, subject to any modifications in accordance with Section 4.4 of the GIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

[Above assumptions to be completed by Interconnection Customer and other assumptions to be provided by Interconnection Customer, Transmission Owner and Transmission Provider]

GENERATING FACILITY DATA FOR THE
INTERIM AVAILABILITY INTERCONNECTION SYSTEM IMPACT STUDY

UNIT RATINGS

Nameplate kVA _____ °F _____ Voltage _____
 Prime Mover type _____
 Power Factor: Lead _____ Lag _____
 Speed (RPM) _____ Connection (e.g. Wye)

 Short Circuit Ratio _____ Frequency, Hertz _____
 Stator Amperes at Rated kVA _____ Field Volts _____
 Max Turbine Power: Summer MW _____ °F _____
 Winter MW _____ °F _____

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = _____ kW sec/kVA
 Moment-of-Inertia, $WR^2 =$ _____ lb. ft.²

REACTANCE DATA (PER UNIT-RATED KVA)

DIRECT AXIS QUADRATURE AXIS

Synchronous – saturated	X_{dv}	_____	X_{qv}	_____
Synchronous – unsaturated	X_{di}	_____	X_{qi}	_____
Transient – saturated	X'_{dv}	_____	X'_{qv}	_____
Transient – unsaturated	X'_{di}	_____	X'_{qi}	_____
Subtransient – saturated	X''_{dv}	_____	X''_{qv}	_____
Subtransient – unsaturated	X''_{di}	_____	X''_{qi}	_____
Negative Sequence – saturated	X_{2v}	_____		
Negative Sequence – unsaturated	X_{2i}	_____		
Zero Sequence – saturated	X_{0v}	_____		
Zero Sequence – unsaturated	X_{0i}	_____		
Leakage Reactance	X_{lm}	_____		

FIELD TIME CONSTANT DATA (SEC)

Open Circuit	T'_{do}	_____	T'_{qo}	_____
Three-Phase Short Circuit Transient	T'_{d3}	_____	T'_q	_____
Line to Line Short Circuit Transient	T'_{d2}	_____		
Line to Neutral Short Circuit Transient	T'_{d1}	_____		
Short Circuit Subtransient	T''_d	_____	T''_q	_____
Open Circuit Subtransient	T''_{do}	_____	T''_{qo}	_____

ARMATURE TIME CONSTANT DATA (SEC)

Three Phase Short Circuit	T_{a3}	_____
Line to Line Short Circuit	T_{a2}	_____
Line to Neutral Short Circuit	T_{a1}	_____

NOTE: If requested information is not applicable, indicate by marking "N/A."

MW CAPABILITY AND PLANT CONFIGURATION GENERATING FACILITY DATA

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

Positive	R_1	_____
Negative	R_2	_____
Zero	R_0	_____

Rotor Short Time Thermal Capacity $I_2^2 t =$ _____

Field Current at Rated kVA, Armature Voltage and PF = _____ amps

Field Current at Rated kVA and Armature Voltage, 0 PF = _____ amps

Three Phase Armature Winding Capacitance = _____ microfarad

Field Winding Resistance = _____ ohms _____ °C

Armature Winding Resistance (Per Phase) = _____ ohms _____ °C

CURVES

Provide Saturation, Vee, Reactive Capability, Capacity Temperature Correction curves. Designate normal and emergency Hydrogen Pressure operating range for multiple curves.

GENERATOR STEP-UP TRANSFORMER DATA RATINGS

Capacity Self-cooled/
Maximum Nameplate
/ kVA

Voltage Ratio (Generator Side/System side/Tertiary)
/ / kV

Winding Connections (Low V/High V/Tertiary V (Delta or Wye))
/ /

Fixed Taps Available _____

Present Tap Setting _____

Impedance: Positive Z_1 (on self-cooled kVA rating) %
X/R

Impedance: Zero Z_0 (on self-cooled kVA rating) %
X/R

EXCITATION SYSTEM DATA

Identify appropriate IEEE model block diagram of excitation system and power system stabilizer (PSS) for computer representation in power system stability simulations and the corresponding excitation system and PSS constants for use in the model.

GOVERNOR SYSTEM DATA

Identify appropriate IEEE model block diagram of governor system for computer representation in power system stability simulations and the corresponding governor system constants for use in the model.

WIND GENERATORS

Number of generators to be interconnected pursuant to this Interconnection Request:

Elevation: _____ Single Phase _____ Three Phase

Inverter manufacturer, model name, number, and version:

List of adjustable setpoints for the protective equipment or software:

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet or other compatible formats, such as IEEE and PTI power flow models, must be supplied with the Interconnection Request. If other data sheets are more appropriate to the proposed device, then they shall be provided and discussed at Scoping Meeting.

INDUCTION GENERATORS

- (*) Field Volts: _____
- (*) Field Amperes: _____
- (*) Motoring Power (kW): _____
- (*) Neutral Grounding Resistor (If Applicable): _____
- (*) I_2^2t or K (Heating Time Constant): _____
- (*) Rotor Resistance: _____
- (*) Stator Resistance: _____
- (*) Stator Reactance: _____
- (*) Rotor Reactance: _____
- (*) Magnetizing Reactance: _____
- (*) Short Circuit Reactance: _____
- (*) Exciting Current: _____
- (*) Temperature Rise: _____
- (*) Frame Size: _____
- (*) Design Letter: _____
- (*) Reactive Power Required In Vars (No Load): _____
- (*) Reactive Power Required In Vars (Full Load): _____
- (*) Total Rotating Inertia, H: _____ Per Unit on KVA Base

Note: Please consult Transmission Provider prior to submitting the Interconnection Request to determine if the information designated by (*) is required.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment V Appendix 9, Attachment V Appendix 9, 1.0.0, A

Record Narrative Name: Attachment V Appendix 9

Tariff Record ID: 767

Tariff Record Collation Value: 396480064 Tariff Record Parent Identifier: 422

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

APPENDIX 9 TO GIP

CERTIFICATION CODES AND STANDARDS

Certification and interconnection of Interconnection Customer's facilities with Transmission Owner's facilities shall be governed by all applicable local, state and federal statutes and regulations. In addition, Interconnection Customer's facilities shall be installed in accordance with all provisions set forth in Transmission Owner's Facility Connection Standard, Transmission Owner Service Standard and the National Electrical Safety Code (ANSI2), National Electrical Code (NFPA70), North American Electric Reliability Council (NERC), Regional Reliability Councils, American National Standards Institute (ANSI), Institute of Electrical and Electronics Engineers (IEEE), or other regulatory or governing body having jurisdiction. Connection of Interconnection Customer's facilities with Transmission Owner's facilities shall further be governed by any applicable statute, rule, order, provision, guide, or code of an organization, council, institute, regulatory or governing body having jurisdiction over such matters.

A sample list of such requirements is shown below (Note this list is not all-inclusive and the entities responsible for these requirements may update them at any time. The current versions shall be applicable.):

IEEE1547 Standard for Interconnecting Distributed Resources with Electric Power Systems (including use of IEEE 1547.1 testing protocols to establish conformity)

UL 1741 Inverters, Converters, and Controllers for Use in Independent Power Systems

IEEE Std 929-2000 IEEE Recommended Practice for Utility Interface of Photovoltaic (PV) Systems

NFPA 70 (2002), National Electrical Code

IEEE Std C37.90.1-1989 (R1994), IEEE Standard Surge Withstand Capability (SWC) Tests for Protective Relays and Relay Systems

IEEE Std C37.90.2 (1995), IEEE Standard Withstand Capability of Relay Systems to Radiated Electromagnetic Interference from Transceivers

IEEE Std C37.108-1989 (R2002), IEEE Guide for the Protection of Network Transformers

IEEE Std C57.12.44-2000, IEEE Standard Requirements for Secondary Network Protectors

IEEE Std C62.41.2-2002, IEEE Recommended Practice on Characterization of Surges in Low Voltage (1000V and Less) AC Power Circuits

IEEE Std C62.45-1992 (R2002), IEEE Recommended Practice on Surge Testing for Equipment Connected to Low-Voltage (1000V and Less) AC Power Circuits

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IEEE Std 100-2000, IEEE Standard Dictionary of Electrical and Electronic Terms
NEMA MG 1-1998, Motors and Small Resources, Revision 3

IEEE Std 519-1992, IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems

NEMA MG 1-2003 (Rev 2004), Motors and Generators, Revision 1

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APPENDIX 13 TO THE GENERATOR INTERCONNECTION PROCEDURES

GENERATOR INTERCONNECTION AGREEMENT (GIA)

(For use when Western-UGP is a Party to the GIA, as the Transmission Owner)

TABLE OF CONTENTS

Recitals

Article 1. Definitions

Article 2. Effective Date, Term, and Termination

2.1 Effective Date

2.2 Term of Agreement

2.3 Termination Procedures

2.3.1 Written Notice

2.3.2 Default

2.4 Termination Costs

2.5 Disconnection

2.6 Survival

Article 3. Regulatory Filings

3.1 Filing

Article 4. Scope of Service

4.1 Interconnection Product Options

4.1.1 Energy Resource Interconnection Service

4.1.1.1 The Product

4.1.1.2 Transmission Delivery Service Implications

4.1.2 Network Resource Interconnection Service

4.1.2.1 The Product

4.1.2.2 Transmission Delivery Service Implications

4.2 Provision of Service

4.3 Performance Standards

4.4 No Transmission Delivery Service

4.5 Interconnection Customer Provided Services

Article 5. Interconnection Facilities Engineering, Procurement, and Construction

5.1 Options

5.1.1 Standard Option

5.1.2 Option to Build

5.1.3 Negotiated Option

5.2 General Conditions Applicable to Option to Build

5.3 Reserved

5.4 Power System Stabilizers

5.5 Equipment Procurement

5.6 Construction Commencement

5.7 Work Progress

5.8 Information Exchange

5.9 Limited Operation

5.10 Interconnection Customer's Interconnection Facilities ('ICIF')

5.10.1 Interconnection Customer's Interconnection Facility Specifications

5.10.2 Transmission Owner's Review

5.10.3 ICIF Construction

5.10.4 Updated Information Submission by Interconnection Customer

5.10.5 Information Supplementation

5.11 Transmission Owner's Interconnection Facilities Construction

5.12 Access Rights

5.13 Lands of Other Property Owners

5.14 Permits

5.15 Early Construction of Base Case Facilities

5.16 Suspension

5.16.2 Exemptions

5.17 Reserved

5.18 Tax Status

5.19 Modification

5.19.1 General

5.19.2Standards

5.19.3Modification Costs

5.20 Delays

Article 6.Testing and Inspection

6.1Pre-Commercial Operation Date Testing and Modifications

6.2Post-Commercial Operation Date Testing and Modifications

6.3Right to Observe Testing

6.4Right to Inspect

Article 7.Metering

7.1General

7.2Check Meters

7.3Standards

7.4Testing of Metering Equipment

7.5Metering Data

Article 8.Communications

8.1Interconnection Customer Obligations

8.2Remote Terminal Unit

8.3No Annexation

8.4Provision of Data from a Variable Energy Resource

Article 9.Operations

9.1General

9.2Control Area Notification

9.3Transmission Provider and Transmission Owner Obligations

9.4Interconnection Customer Obligations

9.5Start-Up and Synchronization

9.6Reactive Power

9.6.1Power Factor Design Criteria

9.6.2Voltage Schedules

9.6.2.1Governors and Regulators

9.6.3Payment for Reactive Power

9.7Outages and Interruptions

9.7.1Outages

9.7.1.1Outage Authority and Coordination

9.7.1.2Outage Schedules

9.7.1.3Outage Restoration

9.7.2Interruption of Service

9.7.3Under-Frequency and Over Frequency Conditions

9.7.4System Protection and Other Control Requirements

9.7.4.1System Protection Facilities

9.7.5Requirements for Protection

9.7.6Power Quality

9.8Switching and Tagging Rules

9.9Use of Interconnection Facilities by Third Parties

9.9.1Purpose of Interconnection Facilities

9.9.2Third Party Users

9.10Disturbance Analysis Data Exchange

Article 10.Maintenance

10.1Transmission Owner Obligations

10.2Interconnection Customer Obligations

10.3Coordination

10.4Secondary Systems

10.5Operating and Maintenance Expenses

Article 11.Performance Obligation

11.1Interconnection Customer Interconnection Facilities

11.2Generating Facility

11.3Transmission Owner's Interconnection Facilities

11.4Network Upgrades and Distribution Upgrades

11.5Transmission Credits

11.5.1Credits for Amounts Advanced for Network Upgrades

11.5.2Special Provisions for Affected Systems

11.6Initial Payment

11.7Provision of Security

11.8 Advance Payment

11.9Interconnection Customer Compensation

11.9.1Interconnection Customer Compensation for Actions During
Emergency Condition

Article 12.Invoice

12.1General

12.2Final Invoice

12.3Payment

12.4Disputes

Article 13.Emergencies

13.1Definition

13.2Obligations

13.3Notice

13.4Immediate Action

13.5Transmission Provider and Transmission Owner Authority

13.5.1General

13.5.2Reduction and Disconnection

13.6Interconnection Customer Authority

13.7Limited Liability

Article 14.Regulatory Requirements and Governing Law

14.1Regulatory Requirements

14.2Governing Law

Article 15.Notices

15.1General

15.2Billings and Payments

15.3Alternative Forms of Notice

15.4Operations and Maintenance Notice

Article 16.Force Majeure

16.1 Force Majeure

Article 17.Default

17.1Default

17.1.1General

17.1.2Right to Terminate

Article 18.Indemnity, Consequential Damages and Insurance

18.1Indemnity

18.1.1Indemnified Person

18.1.2Indemnifying Party

18.1.3Indemnity Procedures

18.2Consequential Damages

18.3Interconnection Customer Insurance

18.4Transmission Owner Insurance

Article 19.Assignment

19.1 Assignment

Article 20.Severability

20.1 Severability

Article 21.Comparability

21.1 Comparability

Article 22.Confidentiality

22.1Confidentiality

22.1.1Term

22.1.2Scope

22.1.3Release of Confidential Information

22.1.4Rights

22.1.5No Warranties

22.1.6Standard of Care

22.1.7Order of Disclosure

22.1.8Termination of Agreement

22.1.9Remedies

22.1.10 Disclosure to FERC, its Staff, or a State

Article 23.Environmental Releases

Article 24.Information Requirements

24.1Information Acquisition

24.2Information Submission by Transmission Provider

Article 25.Information Access and Audit Rights

25.1Information Access

25.2Reporting of Non-Force Majeure Events

25.3Audit Rights

25.4Audit Rights Periods

25.4.1Audit Rights Period for Construction-Related Accounts and Records

25.4.2Audit Rights Period for All Other Accounts and Records

25.5Audit Results

Article 26.Subcontractors

26.1General

26.2Responsibility of Principal

26.3No Limitation by Insurance

Article 27.Disputes

27.1Submission

Article 28.Representations, Warranties, and Covenants

28.1General

28.1.1 Good Standing

28.1.2 Authority

28.1.3 No Conflict

28.1.4 Consent and Approval

Article 29. Joint Operating Committee

29.1 Joint Operating Committee

Article 30. Miscellaneous

30.1 Binding Effect

30.2 Conflicts

30.3 Rules of Interpretation

30.4 Entire Agreement

30.5 No Third Party Beneficiaries

30.6 Waiver

30.7 Headings

30.8 Multiple Counterparts

30.9 Amendment

30.10 Modification by the Parties

30.11 Reservation of Rights

30.12 No Partnership

Appendix A - Interconnection Facilities, Network 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 – Requirements of Generators Relying on Newer Technologies

GENERATOR INTERCONNECTION AGREEMENT

THIS GENERATOR INTERCONNECTION AGREEMENT

("Agreement") is made and entered into this ____ day of _____ 20__, by and among _____, a _____ organized and existing under the laws of the State/Commonwealth of _____ ("Interconnection Customer" with a Generating Facility), Southwest Power Pool, Inc., a corporation organized and existing under the laws of the State of Arkansas ("Transmission Provider") and Western Area Power Administration-Upper Great Plains Region ("Western-UGP"), a Federal power marketing agency organized under the United States Department of Energy ("Transmission Owner"). Interconnection Customer, Transmission Provider and Transmission Owner each may be referred to as a "Party" or collectively as the "Parties."

Recitals

WHEREAS, Transmission Provider functionally controls the operation of 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 C to this Agreement; and,

WHEREAS, Transmission Owner owns facilities to which the Generating Facility is to be interconnected and may be constructing facilities to allow the interconnection; and,

WHEREAS, Interconnection Customer, Transmission Provider and Transmission Owner have agreed to enter into this Agreement 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:

When used in this Generator Interconnection Agreement, terms with initial capitalization that are not defined in Article 1 shall have the meanings specified in the Article in which they are used or the Open Access Transmission Tariff (Tariff).

Article 1. Definitions

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 system other than the Transmission System that may be affected by the proposed interconnection.

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.

Applicable Reliability Council shall mean the reliability council applicable to the Transmission System to which the Generating Facility is directly interconnected.

Applicable Reliability Standards shall mean the requirements and guidelines of NERC, the Applicable Reliability Council, and the Control Area of the Transmission System to which the Generating Facility is directly interconnected.

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

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Generator Interconnection Agreement.

Breaching Party shall mean a Party that is in Breach of the Generator Interconnection Agreement.

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

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

Clustering shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting Interconnection Studies.

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 the Generator Interconnection Agreement.

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

Control Area shall mean an electrical system or systems bounded by interconnection metering and telemetry, capable of controlling generation to maintain its interchange schedule with other Control Areas and contributing to frequency regulation of the interconnection. A Control Area must be certified by the Applicable Reliability Council.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Generator Interconnection Agreement.

Definitive 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 a Preliminary Interconnection System Impact Study or that may be caused by the withdrawal or addition of an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Definitive Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3A of the Generator Interconnection Procedures for conducting the Definitive Interconnection System Impact Study.

Definitive Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Definitive Interconnection System Impact Study.

Dispute Resolution shall mean the procedure in Section 12 of the Tariff for resolution of a dispute between 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 that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.

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 transmission 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 the Generator Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of Transmission Provider, 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 or the electric systems of others to which the Transmission System is directly connected; or (3) that, in the case of 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 Transmission Owner's Interconnection Facilities ;or (4) 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 black start shall be considered Emergency Conditions; provided, that Interconnection Customer is not obligated by the Generator Interconnection Agreement to possess black start capability.

Energy Resource Interconnection Service shall mean an Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself 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.

Environmental Review shall mean a study conducted by the Transmission Owner that contains a review of the proposed interconnection to the Transmission Owner's transmission facilities, pursuant to the National Environmental Policy Act (NEPA), 42 U.S.C. §4321, et seq., as amended, and setting forth Interconnection Customer's responsibilities in connection with such review of the interconnection.

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 (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 acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Interconnection Customer's device 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 applicable to an Interconnection Request pertaining to a Generating Facility that is included in the Transmission Provider's Tariff.

Generator Interconnection Procedures (GIP) shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Generating Facility that are included in the Transmission Provider's Tariff.

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.

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.

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 back feed power.

Interconnection Customer shall mean any entity, including the 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 the Generator Interconnection Agreement, 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. 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 are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

Interconnection Facilities Study shall mean a study conducted by the Transmission Provider or a third party consultant for the Interconnection Customer to determine a list of facilities (including Transmission Owner's Interconnection Facilities and Network Upgrades as identified in the Definitive Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission System. The scope of the study is defined in Section 8 of the Generator Interconnection Procedures.

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 Facilities Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Facilities Study.

Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Generating Facility to the Transmission System, the scope of which is described in Section 6 of the Generator Interconnection Procedures.

Interconnection Feasibility Study Agreement shall mean the form of agreement contained in Appendix 2 of the Generator Interconnection Procedures for conducting the

Interconnection Feasibility Study.

Interconnection Feasibility Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Feasibility Study.

Interconnection Queue Position shall mean the order of a valid Interconnection Request within the Interconnection Facilities Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Facilities Study Queue, which is established based upon the requirements in Section 4.1.3 of the Generator Interconnection Procedures.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Generator Interconnection Procedures, in accordance with the Tariff, 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 Interconnection Customer's Generating Facility to the Transmission Provider's 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 the Generator Interconnection Agreement and, if applicable, the Tariff.

Interconnection Study shall mean any of the following studies: the Interconnection Feasibility Study, the Preliminary Interconnection System Impact Study, the Definitive Interconnection System Impact Study and the Interconnection Facilities Study described in the Generator Interconnection Procedures.

Interconnection Study Agreement shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Preliminary Interconnection System Impact Study Agreement, the Definitive Interconnection System Impact Study Agreement and the Interconnection Facilities Study Agreement described in the Generator Interconnection Procedures.

IRS shall mean the Internal Revenue Service.

Joint Operating Committee shall be a group made up of representatives from Interconnection Customer, Transmission Owner and the Transmission Provider to coordinate operating and technical considerations of Interconnection Service.

Loss shall mean any and all losses 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 another Party's performance, or non-performance of its obligations under the Generator Interconnection Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying 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 the Generator Interconnection Agreement 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 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 shall mean an Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with the Transmission System in a manner comparable to that in which the Transmission Owner integrates its generating facilities to serve Native Load Customers as a Network Resource. Network Resource Interconnection Service in and of itself 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 to accommodate the interconnection of the Generating Facility to the Transmission System.

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with the Generator Interconnection Agreement or its performance.

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 to the Generator Interconnection Agreement, where the Interconnection Facilities connect to the Transmission System.

Preliminary 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 an Interconnection Feasibility Study or that may be caused by an Interconnection

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

Preliminary Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3 of the Generator Interconnection Procedures for conducting the Preliminary Interconnection System Impact Study.

Preliminary Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Preliminary Interconnection System Impact Study.

Previous Network Upgrade shall mean a Network Upgrade that is needed for the interconnection of one or more Interconnection Customers' Generating Facilities, but is not the cost responsibility of the Interconnection Customer, subject to restudy, and which is identified in Appendix A of the Generator Interconnection Agreement.

Queue shall mean the Interconnection Feasibility Study Queue, the Preliminary Interconnection System Impact Study Queue, the Definitive Interconnection System Impact Study Queue, or the Interconnection Facilities Study Queue, as applicable.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Generator Interconnection Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer, Transmission Owner 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 listed in Appendix A of the Generator Interconnection Agreement that is needed for the interconnection of multiple Interconnection Customers' Generating Facilities and which is the shared funding responsibility of such Interconnection Customers that may also benefit 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 of sufficient size for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size 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 of sufficient size for such purpose.

Small Generating Facility shall mean a Generating Facility that has an aggregate net Generating Facility Capacity of no more than 2 MW.

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 the Generator Interconnection Agreement.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the Transmission System 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 FERC, and as amended or supplemented from time to time, or any successor tariff.

Transmission Owner shall mean an entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of Interconnection and may be a Party to the Generator Interconnection Agreement to the extent necessary.

Transmission Provider shall mean the public utility (or its Designated Agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the Tariff. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from the Transmission Provider.

Transmission Owner's Interconnection Facilities shall mean all facilities and equipment owned, controlled or operated by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Generator Interconnection Agreement, 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 Stand Alone Network Upgrades or Network Upgrades.

Transmission System shall mean the facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide transmission 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.

Variable Energy Resource shall mean a device for the production of electricity that is characterized by an energy source that: (1) is renewable; (2) cannot be stored by the facility owner or operator; and (3) has variability that is beyond the control of the facility owner or operator.

Western Area Power Administration-Upper Great Plains Region (“Western-UGP”)

shall mean a division of the Western Area Power Administration, a Federal power marketing agency, and Transmission Owner, that markets and transmits Federal power over Federal transmission facilities that have been transferred to the functional control of the Transmission Provider.

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 ten (10) years from the Effective Date or such other longer period as Interconnection Customer may request (Term to be specified in individual agreements) and shall be automatically renewed for each successive one-year period thereafter.

Notwithstanding this Article 2.2 or 2.3, the maximum effective period of this GIA shall be forty (40) years from the Effective Date. Five years prior to termination, Interconnection Customer shall provide written notice of its intention to extend the GIA. Upon receiving such notice, Transmission Provider and Transmission Owner shall enter into good faith discussions regarding an extension of the GIA at Interconnection Customer's request.

2.3 Termination Procedures.

2.3.1 Written Notice. This GIA may be terminated by Interconnection Customer after giving Transmission Provider and Transmission Owner ninety (90) Calendar Days advance written notice, or by Transmission Provider notifying FERC after the Generating Facility permanently ceases Commercial Operation.

2.3.2 If the Generating Facility fails to achieve Commercial Operation for three (3) consecutive years following the Commercial Operation Date, this GIA may be terminated by the Transmission Provider after giving the Interconnection Customer ninety (90) Calendar Days advance written notice. Where a portion of the Generating Facility fails to achieve Commercial Operation for three (3) consecutive years following the Commercial Operation Date, the Transmission Provider shall issue a revised GIA to reflect the amount of the Generating Facility Capacity that achieved Commercial Operation. The revised GIA shall be consistent with the GIP in effect on the Effective Date of the GIA.

2.3.3 Default. Any Party may terminate this GIA in accordance with Article 17.

2.3.4 Notwithstanding Articles 2.3.1, 2.3.2 and 2.3.3, 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, which notice has been accepted for filing by FERC.

2.4 Termination Costs. If a Party elects to terminate this Agreement pursuant to Article 2.3 above, Interconnection Customer and Transmission Owner shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment) or charges assessed by any other Party, as of the date of such Party's receipt of such notice of termination, that are the responsibility of the Terminating Party under this GIA. In the event of termination by any Party, all Parties shall use Commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this GIA:

2.4.1 With respect to any portion of Transmission Owner's Interconnection Facilities that have not yet been constructed or installed, Transmission Owner shall to the extent possible and with Interconnection Customer's authorization 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 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 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 Network Upgrades for which Transmission Owner has incurred expenses and has not been reimbursed by Interconnection Customer and the Interconnection Customer's allocated share of Network Upgrade(s) costs as calculated pursuant to Section 4.2.5 of the GIP and as listed in Appendix A of this GIA which are required for service to other Interconnection Customer(s).

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.

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 or other disposition or retirement of such materials, equipment, or facilities.

- 2.5 Disconnection.** Upon termination of this GIA, the Parties will take all appropriate steps to disconnect the Generating Facility from the Transmission System. 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 payments for any credits under 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 another 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.** Transmission Provider shall file this GIA (and any amendment hereto) with the appropriate Governmental Authority, if required. Interconnection Customer may request that any information so provided be subject to the confidentiality provisions of Article 22. If Interconnection Customer has executed this GIA, or any amendment thereto, Interconnection Customer 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:

4.1.1 Energy Resource Interconnection Service.

4.1.1.1 The Product. Energy Resource Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Transmission System 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 Energy Resource Interconnection Service, Transmission Provider shall construct facilities identified in Appendix A.

4.1.1.2 Transmission Delivery Service Implications. Under Energy Resource Interconnection Service, 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. 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 System 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 Upgrades.

4.1.2 Network Resource Interconnection Service.

4.1.2.1 The Product. Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Generating Facility in a manner comparable to that in which Transmission Owner integrates its generating facilities to serve Native Load Customers as all Network Resources. To the extent Interconnection Customer wants to receive Network Resource Interconnection Service, Transmission Owner shall construct the facilities identified in Appendix A to this GIA.

4.1.2.2 Transmission Delivery Service Implications. Network Resource Interconnection Service allows Interconnection Customer's 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 interconnected to the Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur. Although Network Resource Interconnection Service does not convey a reservation of transmission service, any Network Customer under the Tariff can utilize its network service under the Tariff to obtain delivery of energy from the interconnected Interconnection Customer's Generating Facility in the same manner as it accesses Network Resources. A Generating Facility receiving Network Resource 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 an Interconnection Customer's Generating Facility has not been designated as a Network Resource by any load, 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.

Network Resource Interconnection Service does not necessarily provide

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 constraints on the Transmission System, Interconnection Customer's Generating Facility shall be subject to the applicable congestion management procedures in Transmission Provider's 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 Interconnection Customer's Generating Facility be designated as a Network Resource by a Network Service Customer under the Tariff or that 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 Transmission Provider's Tariff.

Once an Interconnection Customer satisfies the requirements for obtaining Network Resource 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 or not such Generating Facility is ever designated by a Network Customer as a Network Resource and regardless of changes in ownership of the Generating Facility. However, the reduction or elimination of congestion or redispatch costs may require additional studies and the construction of additional upgrades.

To the extent 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 Transmission Provider to grant such request.

- 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, and to the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this GIA for its compliance therewith. If such Party is a Transmission Provider or Transmission Owner, then that Party shall amend the GIA and Transmission Provider shall submit the amendment to FERC 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 Transmission

Provider's 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 13.5.1. Interconnection Customer shall be paid for such services in accordance with Article 11.9.

Article 5. Interconnection Facilities Engineering, Procurement, and Construction

- 5.1 Options.** Unless otherwise mutually agreed to between the Parties, Interconnection Customer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date; and either the Option To Build as described under Article 5.1.2 or the Negotiated Option described under Article 5.1.3 if the Interconnection Customer and the Transmission Owner cannot reach agreement under the Standard Option described under Article 5.1.1, for completion of Transmission Owner's Interconnection Facilities and Network Upgrades as set forth in Appendix A, Interconnection Facilities and Network Upgrades, and such dates and selected option, as applicable, shall be set forth in Appendix B, Milestones.

5.1.1 Standard Option. Transmission Owner shall design, procure, and construct Transmission Owner's Interconnection Facilities and Network Upgrades, using Reasonable Efforts to complete Transmission Owner's Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B, Milestones. 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, and Applicable Laws and Regulations. In the event Transmission Owner reasonably expects that it will not be able to complete Transmission Owner's Interconnection Facilities, and Network Upgrades by the specified dates, Transmission Owner shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Option to Build. If the dates designated by Interconnection Customer are not acceptable to Transmission Owner, Transmission Owner shall so notify 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 on the dates specified in Article 5.1.1. Transmission Owner and Interconnection Customer 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.

5.1.3 Negotiated Option. If Interconnection Customer elects not to exercise its option under Article 5.1.2, 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, the provision of incentives or the procurement and construction of a portion of 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 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 Transmission Owner's Interconnection Facilities and Network Upgrades pursuant to 5.1.1, Standard Option.

5.2 General Conditions Applicable to Option to Build. If Interconnection Customer assumes responsibility for the design, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades,

- (1) Interconnection Customer shall engineer, procure equipment, and construct 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 Transmission Owner;
- (2) Interconnection Customer's engineering, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades shall comply with all requirements of law to which Transmission Provider would be subject in the engineering, procurement or construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (3) Transmission Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (4) Prior to commencement of construction, Interconnection Customer shall provide to Transmission Provider and Transmission Owner a schedule for construction of Transmission Provider'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 Owner shall have the right to gain unrestricted access to Transmission Owner'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 Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Transmission Owner, Interconnection Customer shall be obligated to remedy deficiencies in that portion of Transmission Owner's

Interconnection Facilities and Stand Alone Network Upgrades;

- (7) Interconnection Customer shall indemnify Transmission Provider and Transmission Owner for claims arising from 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 Transmission Provider;
- (9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Transmission Owner's Interconnection Facilities and Stand-Alone Network Upgrades to Transmission Owner not later than the Commercial Operation Date;
- (10) Transmission Owner shall approve and accept for operation and maintenance Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and
- (11) Interconnection Customer shall deliver to Transmission Owner "as-built" drawings, information, and any other documents that are reasonably required by Transmission Owner to assure that the Interconnection Facilities and Stand-Alone Network Upgrades are built to the standards and specifications required by Transmission Provider.

5.3 Reserved.

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 reserves 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 not capable of automatic operation, Interconnection Customer shall immediately notify Transmission Owner's system operator, or its designated representative. The requirements of this paragraph shall not apply to wind generators.

5.5 Equipment Procurement. If responsibility for construction of Transmission Owner's Interconnection Facilities or Network Upgrades is to be borne by Transmission Owner, then Transmission Owner shall commence design of Transmission Owner's Interconnection Facilities or Network 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 Transmission Provider has completed the Interconnection Facilities Study

pursuant to the Interconnection Facilities Study Agreement;

- 5.5.2 Transmission Owner has received written authorization to proceed with design and procurement from Interconnection Customer by the date specified in Appendix B, Milestones; and
 - 5.5.3 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.7 and advance payment to Transmission Owner in accordance with Article 11.8 by the dates specified in Appendix B, Milestones.
- 5.6 **Construction Commencement.** Transmission Owner shall commence construction of Transmission Owner's Interconnection Facilities and Network 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 Transmission Owner's Interconnection Facilities and Network Upgrades;
 - 5.6.3 Transmission Owner has received written authorization to proceed with construction from Interconnection Customer by the date specified in Appendix B, Milestones; and
 - 5.6.4 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.7 and advance payment to Transmission Owner in accordance with Article 11.8 by the dates specified in Appendix B, Milestones.
- 5.7 **Work Progress.** The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Parties may, at any time, request a progress report from other Parties. If, at any time, Interconnection Customer determines that the completion of Transmission Owner's Interconnection Facilities and Network Upgrades will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Transmission Provider and Transmission Owner of such later date upon which the completion of Transmission Owner's Interconnection Facilities and Network Upgrades will be required.
- 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 Parties' Interconnection Facilities and compatibility of the Interconnection Facilities with the Transmission System, and shall work diligently and in good faith to make any necessary design changes.
- 5.9 **Limited Operation.** If any of Transmission Owner's Interconnection Facilities or Network 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 Interconnection Customer's Interconnection Facilities may operate prior to the completion of Transmission Owner's Interconnection Facilities or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this GIA ("Limited Operation"). Transmission Owner shall permit Interconnection Customer to operate the Generating Facility and Interconnection Customer's Interconnection Facilities under Limited Operation in accordance with the results of such studies performed by Transmission Provider.

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, Interconnection Facilities, Network Upgrades and Distribution Upgrades.

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

5.10.2 Transmission Owner's Review. 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 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 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, Interconnection Customer shall deliver to 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 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 Owner specifications for the excitation system, automatic voltage regulator, Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.10.4 Updated Information Submission by Interconnection Customer. The updated information submission by the Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date. Interconnection Customer shall submit 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 and Interconnection Facilities Studies. 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 the Parties 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 agreements 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 5.10.4. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

5.10.5 Information Supplementation. Prior to the Commercial Operation Date, or as soon as possible thereafter, the Parties shall supplement their information submissions described above in this Article 5 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 percent) 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 of 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 for each individual generating unit in a station.

Subsequent to the Commercial Operation Date, the Interconnection Customer shall provide Transmission Owner and Transmission Provider any information changes due to equipment replacement, repair, or adjustment. Transmission Owner shall provide the Interconnection Customer and Transmission Provider any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission Owner-owned 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.

- 5.11 Transmission Owner's Interconnection Facilities Construction.** Transmission Owner's Interconnection Facilities and Network Upgrades 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, Transmission Owner shall deliver to Interconnection Customer the following "as-built" drawings, information and documents for Transmission Owner's Interconnection Facilities and Network Upgrades [include appropriate drawings and relay diagrams].

Transmission Owner will obtain control of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades upon completion of such facilities.

- 5.12 Access Rights.** Upon reasonable notice and supervision by a Party, and subject to any required or necessary regulatory approvals, a Party ("Granting Party") shall furnish at no cost to any 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 Transmission Owner's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Transmission Owner, 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, and to the extent consistent with Federal or state law, as applicable, 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 Transmission Owner's Interconnection Facilities and/or Network 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 Provider or Transmission Owner shall provide permitting assistance to Interconnection Customer comparable to that provided to Transmission Provider's own, or an Affiliate's generation.

5.15 Early Construction of Base Case Facilities. 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 required for Interconnection Customer to be interconnected to the Transmission System which are included in the Base Case of the Facilities Study for Interconnection Customer, and which also are required to be constructed for another Interconnection Customer, but where such construction is not scheduled to be completed in time to achieve Interconnection Customer's In-Service Date.

5.16 Suspension.

5.16.1 Interconnection Customer, upon written notice to Transmission Provider and Transmission Owner, may suspend, for a period not to exceed 18 months, work by Transmission Owner associated with the construction and installation of Transmission Owner's Interconnection Facilities and/or Network Upgrades required under this GIA under the following terms and conditions,

- i. Construction of Network Upgrades that are required to provide Interconnection Service to other Generating Facilities and for which Interconnection Customer shares cost responsibility cannot be suspended pursuant to this Article 5.16.
- ii. If the suspension period begins later than or extends beyond six months following the Effective Date of the GIA, the Interconnection Customer shall provide to the Transmission Provider security in the form described under Article 11.7 in an amount equal to the greater of:
 - a. the Interconnection Customer's allocated share of Network Upgrade(s) as calculated pursuant to Section 4.2.5 of the GIP and as identified in Appendix A of this GIA unless previously provided under Section 8.9 of the GIP; or
 - b. \$5,000,000 if the Generating Facility is greater than or equal to 100 MW; or
 - c. \$2,500,000 if the Generating Facility is greater than or equal to 50 MW and

less than 100 MW; or

- d. \$1,000,000 if the Generating Facility is less than 50 MW; or
 - e. \$500,000 if the Generating Facility is less than or equal to 2 MW.
- iii. In the event that this GIA is terminated under this Article 5.16, the Transmission Provider shall retain the security provided pursuant to Article 5.16.1.ii in the amount required to meet Interconnection Customer's obligations pursuant to this GIA. Any difference between the security provided and Interconnection Customer's obligations shall be settled pursuant to Article 12.
- iv. 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 resume the work required under this GIA on or before the expiration of 18 months from the date of suspension, this GIA shall be deemed terminated unless Article 16 applies.
- v. In the event Interconnection Customer suspends work by Transmission Owner required under this GIA pursuant to this Article 5.16 and has not complied requirements of Article 5.16.1.ii on or before the later of the expiration of 6 months following the effective date of the GIA or the date the suspension is requested, this GIA shall be deemed terminated by the Interconnection Customer.
- vi. In the event Interconnection Customer suspends work by Transmission Owner required under this GIA pursuant to this Article 5.16, the Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Owner's safety and reliability criteria. Interconnection Customer shall be responsible for all reasonable and necessary costs which Transmission Owner and Transmission Provider (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 System during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which Transmission Owner cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Transmission Owner shall obtain Interconnection Customer's authorization to do so. Transmission Owner and Transmission Provider shall invoice Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs.
- vii. In the event Interconnection Customer provides written notice to resume work for those facilities for which work has been suspended pursuant to this Article 5.16.1, the Interconnection Customer shall receive a refund, including interest, of any payments provided in accordance with Article 5.16.1.ii in excess of the sum of Interconnection Customer's allocated share of Network Upgrade(s) costs and any

costs incurred under Article 5.16.1.vi within 30 days of the date of such notice.

5.16.2 Exemptions. The Interconnection Customer shall be exempt from the payments described under Article 5.16.1.ii.b, 5.16.1.ii.c and 5.16.1.ii.d if the following occurs or Suspension is requested for the following reasons:

- i. Construction of a Network Upgrade or the Generating Facility is prevented by order of a Governmental Authority; or
- ii. Transmission Provider determines through an Interconnection Study that the Suspension does not qualify as a modification that has an impact on the cost or timing of any Interconnection Request with an equal or later Queue priority date (Material Modification); or
- iii. Transmission Owner or Transmission Provider determines that a Force Majeure event prevents construction of a Network Upgrade.

5.17 Reserved.

5.18 Tax Status. All Parties shall cooperate with each other to maintain their 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. Each 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 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 Owner 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 System, Transmission Owner's Interconnection Facilities or Network Upgrades necessitated by such Interconnection Customer modification and a good faith estimate of the costs thereof.

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 for the costs of any additions, modifications, or replacements that Transmission Owner makes to Transmission Owner's Interconnection Facilities or the Transmission System to facilitate the interconnection of a third party to Transmission Owner's Interconnection Facilities or the Transmission System, or to provide transmission service to a third party under Transmission Provider's Tariff. Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to 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.

5.20 Delays. If a Network Upgrade(s) identified in Appendix A is delayed during the construction process and the Commercial Operation Date for the Generating Facility identified in Appendix B is no longer feasible, the Commercial Operation Date in Appendix B may be modified to no later than six (6) months following the in-service date for the last Network Upgrade identified in Appendix A.

Article 6. Testing and Inspection

6.1 Pre-Commercial Operation Date Testing and Modifications. Prior to the Commercial Operation Date, Transmission Owner shall test Transmission Owner's Interconnection Facilities and Network Upgrades and Interconnection Customer shall test the Generating Facility and Interconnection Customer's Interconnection Facilities to ensure their safe and reliable operation. Similar testing may be required after initial operation. Each Party shall make any modifications to its 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 System in a safe and reliable manner. Each Party shall have the right, upon advance written notice, to require reasonable additional testing of the other Party's 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 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 another Parties' tests and/or inspection of any of its System Protection Facilities and other protective equipment, including power system stabilizers; (ii) review the settings of the other Parties' System Protection Facilities and other protective equipment; and (iii) review another Parties' maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. Any 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 another 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 any 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 shall install Metering Equipment at the Point of Interconnection prior to any operation of the Generating Facility and shall own, operate, test and maintain such Metering Equipment. Power flows to and from the Generating Facility shall be measured at or, at Transmission Owner's option, compensated to, the Point of Interconnection. Transmission Owner shall provide metering quantities, in analog and/or digital form, to Interconnection Customer and Transmission Provider on a same-time basis using communication as provided in Article 8. 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 Transmission Owner's meters. 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 Owner or its designee. The installation, operation and maintenance thereof shall be performed entirely by Interconnection Customer in accordance with Good Utility Practice.
- 7.3 Standards.** Transmission Owner shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards.
- 7.4 Testing of Metering Equipment.** Transmission Owner shall inspect and test all Transmission Owner-owned Metering Equipment in accordance with Transmission Owner's meter testing policies. If requested to do so by Interconnection Customer, Transmission Owner shall, at Interconnection Customer's expense, inspect or test Metering Equipment more frequently than the periods set forth in the Transmission Owner's meter testing policies. Transmission Owner shall give reasonable notice of the time when any inspection or test shall take place, and Interconnection Customer 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 Transmission Owner's failure to maintain, then Transmission Owner 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 from the measurement made by the standard meter used in the test, Transmission Owner 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 last 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 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 Owner's Transmission System dispatcher or representative designated by Transmission Owner. 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 Owner 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 Owner. Any required maintenance of such communications equipment shall be performed by 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 the 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 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. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Transmission Owner.

Each Party will promptly advise the other Party if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by the other Party. 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.

8.4 Provision of Data from a Variable Energy Resource. The Interconnection Customer whose Generating Facility is a Variable Energy Resource shall provide meteorological and forced outage data to the Transmission Provider to the extent necessary for the Transmission Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. The Interconnection Customer with a Variable Energy Resource having wind as the energy source, at a minimum, will be required to provide the Transmission Provider with (i) site-specific meteorological data including: temperature, wind speed, wind direction, relative humidity and atmospheric pressure and (ii) site specific geographic data including location (latitude and longitude) of the Variable Energy Resource and location (latitude and longitude) and height of the facility that will contain the equipment necessary to provide the meteorological data for such resource. The Interconnection Customer with a Variable Energy Resource having solar as the energy source, at a minimum, will be required to provide the Transmission Provider with site-specific meteorological data including: temperature, atmospheric pressure, and irradiance. The Transmission Provider and Interconnection Customer whose Generating Facility is a Variable Energy Resource shall mutually agree to any additional meteorological data that are required for the development and deployment of a power production forecast. The Interconnection Customer whose Generating Facility is a Variable Energy Resource also shall submit data to the Transmission Provider regarding all forced outages to the extent necessary for the Transmission Provider's development and deployment of power production forecasts for that class of Variable Energy Resources. The exact specifications of the meteorological and forced outage data to be provided by the Interconnection Customer to the Transmission Provider, including the frequency and timing of data submittals, shall be made taking into account the size and configuration of the Variable Energy Resource, its characteristics, location, and its importance in maintaining generation resource adequacy and transmission system reliability in its area. All requirements for meteorological, geographical and forced outage data must be commensurate with the power production forecasting employed by the Transmission Provider. Such requirements for meteorological, geographical and forced outage data are set forth in Appendix C, Interconnection Details, of this GIA, as they may change from time to time.

Article 9. Operations

9.1 General. Each Party shall comply with the Applicable Reliability Council requirements. Each Party shall provide to the other Parties all information that may reasonably be required by the other Parties to comply with Applicable Laws and Regulations and Applicable Reliability Standards.

- 9.2 Control Area Notification.** At least three months before Initial Synchronization Date, Interconnection Customer shall notify Transmission Provider and Transmission Owner in writing of the Control Area in which the Generating Facility will be located. If Interconnection Customer elects to locate the Generating Facility in a Control Area other than the Control Area 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 Control Area 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 Control Area.
- 9.3 Transmission Provider and Transmission Owner Obligations.** Transmission Provider and Transmission Owner shall cause the Transmission System and Transmission Owner's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this GIA. Transmission Provider or Transmission Owner may provide operating instructions to Interconnection Customer consistent with this GIA and Transmission Owner's operating protocols and procedures as they may change from time to time. Transmission Provider and Transmission Owner 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. Interconnection Customer shall operate the Generating Facility and Interconnection Customer's Interconnection Facilities in accordance with all applicable requirements of the Control Area of which it 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 another 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 System.
- 9.6 Reactive Power.**
- 9.6.1 Power Factor Design Criteria.** Interconnection Customer shall design the Generating Facility to maintain a composite power delivery at continuous rated power output at the Point of Interconnection at a power factor within the range of 0.95 leading to 0.95 lagging, unless Transmission Provider or Transmission Owner has established different requirements that apply to all generators in the Control Area on a comparable basis. A wind generator plant shall maintain a power factor within the range of .95 leading to .95 lagging, measured at the Point of Interconnection as defined in the GIA, if the Transmission Provider's System Impact Study shows that such a requirement is necessary to ensure safety or

reliability.

9.6.2 Voltage Schedules. Once Interconnection Customer has synchronized the Generating Facility with the Transmission System, Transmission Provider and/or Transmission Owner 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). Transmission Owner's voltage schedules shall treat all sources of reactive power in the Control Area in an equitable and not unduly discriminatory manner. Transmission Owner 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 System. 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 the Transmission Owner.

9.6.2.1 Governors and Regulators. Whenever the Generating Facility is operated in parallel with the Transmission System 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 Owner'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 System or trip any generating unit comprising the Generating Facility for an under or over frequency condition in accordance with Good Utility Practice and Applicable Reliability Standards.

9.6.3 Payment for Reactive Power. Transmission Provider is required to pay Interconnection Customer for reactive power that Interconnection Customer provides or absorbs from the Generating Facility when Transmission Owner requests Interconnection Customer to operate its Generating Facility outside the range specified in Article 9.6.1. Payments shall be pursuant to Article 11.9 or such other agreement to which the Parties have otherwise agreed; provided however, to the extent the Tariff contains a provision providing for such compensation, that Tariff provision shall control.

9.7 Outages and Interruptions.

9.7.1 Outages.

9.7.1.1 Outage Authority and Coordination. Each Party may in accordance with Good Utility Practice in coordination with the other Party remove from service any of its respective Interconnection Facilities or Network 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 schedule such removal on a date and time mutually acceptable to all 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. Transmission Provider shall post scheduled outages of its transmission facilities on the OASIS. Interconnection Customer shall submit its planned maintenance schedules for the Generating Facility to Transmission Provider for a minimum of a rolling twenty-four month period. 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 Interconnection Customer for any additional direct costs that 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 Interconnection Customer would have incurred absent 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, Interconnection Customer had modified its schedule of maintenance activities.

9.7.1.3 Outage Restoration. If an outage on a Party's Interconnection Facilities or Network Upgrades adversely affects another 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 explaining the nature of the outage.

9.7.2 Interruption of Service. If required by Good Utility Practice to do so,

Transmission Provider and/or Transmission Owner may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Transmission Provider's and/or Transmission Owner'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 System;

9.7.2.3 When the interruption or reduction must be made under circumstances which do not allow for advance notice, Transmission Provider or Transmission Owner 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 or Transmission Owner shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration. Transmission Provider or Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the interruption or reduction during periods of least impact to Interconnection Customer and Transmission Owner;

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 System 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 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 System Protection Facilities as a part of the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Owner shall install at Interconnection Customer's expense any System Protection Facilities that may be required on Transmission Owner's Interconnection Facilities or the Transmission System as a result of the interconnection of the Generating Facility and the Interconnection Customer's Interconnection Facilities.

9.7.4.2 Each Party's protection facilities shall be designed and coordinated with other 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 Interconnection Customer's units.

9.7.4.5 Each Party will test, operate and maintain 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, each Party or its agent 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, each Party shall perform both calibration and functional trip tests of its System Protection Facilities. These tests do not require the tripping of any in-service generation 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 System 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 System. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Generating Facility and the Transmission System 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 System could adversely affect the Generating Facility.

9.7.6 Power Quality. No 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, or any applicable superseding electric industry standard, ANSI Standard C84.1-1989, or the applicable superseding electric industry standard, shall control.

9.8 Switching and Tagging Rules. Each Party shall provide the other Parties a copy of its switching and tagging rules that are applicable to the other Party's 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 Third 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 System and shall be used for no other purpose.

9.9.2 Third Party Users. If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld, to allow one or more third parties to use 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 third 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 third party users based upon the pro rata use of the Interconnection Facilities by Transmission

Owner, all third 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 FERC for resolution.

- 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 System and Transmission Owner's Interconnection Facilities in a safe and reliable manner and in accordance with this GIA.
- 10.2 Interconnection Customer Obligations.** Interconnection Customer shall maintain the Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this GIA.
- 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 others 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 third party and such third 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.

Article 11. Performance Obligation

- 11.1 Interconnection Customer Interconnection Facilities.** Interconnection Customer shall design, procure, construct, install, own and/or control Interconnection Customer's

Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at its sole expense.

11.2 Generating Facility. Interconnection Customer shall install the Generating Facilities described in Appendix C within three (3) years of the Commercial Operation Date(s) specified in Appendix B.

11.3 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, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at the sole expense of the Interconnection Customer.

11.4 Network Upgrades and Distribution Upgrades. All Network Upgrades and Distribution Upgrades described in Appendix A shall be constructed in accordance with the process set forth in Section VI of Attachment O. Transmission Owner shall design, procure, construct, install, and own the Network Upgrades and Distribution Upgrades described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades that are associated with that Transmission Owner's system. The Distribution Upgrades and Network Upgrades described in Appendix A shall be solely funded by Interconnection Customer unless Transmission Owner elects to fund the capital for the Distribution Upgrades or Network Upgrades.

11.4.1 Agreement to Fund Shared Network Upgrades. 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 Transmission Provider by Interconnection Customer will be disbursed by Transmission Provider to the appropriate entities that are constructing the Shared Network Upgrades in accordance with Attachment O of the Tariff. In the event that Interconnection Customer fails to meet its obligation to fund Shared Network Upgrades, Transmission Owner and Transmission Provider shall not be responsible for the Interconnection Customer's funding obligation.

11.4.2 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 (a) a higher queued Interconnection Request withdrew or was deemed to have withdrawn, (b) the GIA associated with a higher queued Interconnection Request was terminated, or (c) changes occur in equipment design standards or reliability criteria giving rise to the need for restudy. 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, shall be provided in Appendix A.

11.4.3 Agreement to Restudy. The Interconnection Customer agrees to allow the Transmission Provider to perform a restudy in accordance with Sections 8.8 and 8.13 of the GIP if the Transmission Provider determines a restudy is required because one or more of the contingencies in Article 11.4.2 occurred. If a restudy is required, the Transmission Provider shall provide notice to Interconnection Customer. The Parties agree to amend Appendix A to this GIA in accordance with Article 30.10 to reflect the results of the restudy.

11.5 Transmission Credits.

11.5.1 Credits for Amounts Advanced for Network Upgrades. Interconnection Customer shall be entitled to credits in accordance with Attachment Z2 of the Tariff for any Network Upgrades including any tax gross-up or other tax-related payments associated with Network Upgrades, and not refunded to Interconnection Customer pursuant to Article 5.17.8.

11.5.2 Special Provisions for Affected Systems. Unless Transmission Provider provides, under the GIA, for the repayment of amounts advanced to Affected System Operator for Network Upgrades, Interconnection Customer and Affected System Operator shall enter into an agreement that provides for such repayment. The agreement shall specify the terms governing payments to be made by Interconnection Customer to the Affected System Operator as well as the repayment by the Affected System Operator.

11.5.3 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 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 transmission credits for transmission service that is not associated with the Generating Facility.

11.6 Initial Payment.

Interconnection Customer shall make an initial payment (“Initial Payment”) equal to the greater of a) twenty (20) percent of the total cost of Network Upgrades, Shared Network Upgrades, Transmission Owner Interconnection Facilities and/or Distribution Upgrades listed in Appendix A or b) \$4,000/MW of the size of the Generating Facility. Any remaining milestone deposits provided in Section 8.2 and Section 8.9 of the GIP will be applied to this requirement. The Initial Payment shall be provided to Transmission Owner

or Transmission Provider as required in Appendix B by Interconnection Customer pursuant to this Article 11.6 within the later of a) thirty (30) days of the execution of the GIA by all Parties, or b) thirty (30) days of acceptance by FERC if the GIA is filed unexecuted and the payment is being protested by Interconnection Customer, or c) thirty (30) days of the filing if the GIA is filed unexecuted and the Initial Payment is not being protested by Interconnection Customer. If this GIA is terminated, then the Initial Payment shall be refunded with accrued interest, if any, to the Interconnection Customer less:

- a. any costs that have been incurred for the construction of the facilities specified in Appendix A;
- b. any funds necessary for the construction of those Shared Network Upgrades, or Network Upgrades, that would be assigned to another interconnection customer where such upgrade costs would not have been assigned but for the termination of the GIA; and
- c. any costs that have been incurred for the construction of those Shared Network Upgrades, or Network Upgrades, that are no longer required due to the termination of the GIA that were paid for by another interconnection customer.

11.7 Provision of Security. Payments for any upgrades installed by the Transmission Owner will be addressed in accordance with Article 11.8 of this GIA. For Network Upgrades and Distribution Upgrades that are not installed by the Transmission Owner, at least thirty (30) Calendar Days prior to the commencement of the procurement, installation, or construction of a discrete portion of Network Upgrades, or Distribution Upgrades as defined in Appendix A of this GIA, Interconnection Customer shall provide Transmission Provider, at Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Transmission Provider 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 costs for constructing, procuring and installing the applicable portion of Network Upgrades or Distribution Upgrades as defined in Appendix A of this GIA and shall be reduced on a dollar-for-dollar basis for payments made to Transmission Provider for these purposes. If Interconnection Customer requests suspension pursuant to Article 5.16, Interconnection Customer may be required to provide Transmission Provider security in the form described above for its allocated share of Network Upgrade(s) costs as calculated pursuant to Section 4.2.5 of the GIP and defined in Appendix A of this GIA.

In addition:

11.7.1 The guarantee must be made by an entity that meets the creditworthiness requirements of Transmission Provider, 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.

11.7.2 The letter of credit must be issued by a financial institution reasonably acceptable

to Transmission Provider and must specify a reasonable expiration date.

11.7.3 The surety bond must be issued by an insurer reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.8 Advance Payment.

11.8.1 For Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades constructed by Transmission Owner, Interconnection Customer shall be required to pay Transmission Owner for all actual costs incurred by Transmission Owner for the procurement, installation, or construction of a discrete portion of a Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and shall pay Transmission Owner, in advance, for all work to be conducted by the Transmission Owner, under the terms and conditions set forth in this GIA. Such advance payments shall be considered estimated costs for project planning, management, design, engineering, land purchase, environmental investigations, procurement, construction, inspection and commissioning activities for which such advance payments are then due. The funds shall be deposited by Interconnection Customer according to the instructions on individual invoices from Transmission Owner, which shall be delivered by Transmission Owner to Interconnection Customer at least ten (10) Business Days prior to the date of such payment being due. Transmission Owner shall not provide any labor, equipment, materials, parts, travel, or incur incidental costs associated with tasks described above, or commence any other work until applicable advance payment(s) is/are received in full.

11.8.2 Interconnection Customer shall not be required to make any subsequent payment to the Transmission Owner in the event tasks relating to the prior payment have not been substantially completed.

11.8.3 Transmission Owner shall keep detailed records for actual costs incurred. Interconnection Customer shall be entitled, during normal business hours and at its own expense, to review such records and supporting documentation. If, during procurement, installation, or construction of a discrete portion of a Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, or upon close-out of any phase of such activities, costs by Transmission Owner are expected to exceed the sum of payments made by Interconnection Customer, Transmission Owner will inform Interconnection Customer of the additional expenses and provide a written revision to the estimate, together with an invoice for the amount due. Interconnection Customer shall then promptly pay Transmission Owner in full and without interest for the billed amount. If, upon completion of the procurement, installation, or construction of a discrete portion of Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, costs incurred by Transmission Owner are less than the sum of payment(s) made to Transmission Owner by Interconnection Customer, Transmission Owner shall

refund the difference, unless such payments are otherwise non-refundable pursuant to Section 11.6 (Initial Payment), without interest, as soon as the necessary vouchers may be prepared.

11.9 Interconnection Customer Compensation. If Transmission Provider or Transmission Owner requests or directs Interconnection Customer to provide a service pursuant to Articles 9.6.3 (Payment for Reactive Power), or 13.5.1 of this GIA, Transmission Provider shall compensate Interconnection Customer in accordance with Interconnection Customer's applicable rate schedule then in effect unless the provision of such service(s) is subject to the Tariff. Interconnection Customer shall serve Transmission Provider with any filing of a proposed rate schedule at the time of such filing with FERC. To the extent that no rate schedule is in effect at the time the Interconnection Customer is required to provide or absorb any Reactive Power under this GIA, Transmission Provider agrees to compensate Interconnection Customer in such amount as would have been due Interconnection Customer had the rate schedule been in effect at the time service commenced; provided, however, that such rate schedule must be filed at FERC or other appropriate Governmental Authority within sixty (60) Calendar Days of the commencement of service.

11.9.1 Interconnection Customer Compensation for Actions During Emergency Condition. Transmission Provider shall compensate Interconnection Customer for its provision of real and reactive power and other Emergency Condition services that Interconnection Customer provides to support the Transmission System during an Emergency Condition in accordance with Article 11.9.

Article 12. Invoice

The terms of this Article 12 apply to billing between the Parties for construction and operation and maintenance charges. All other billing will be handled according to the Tariff.

12.1 General. Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due 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 Interconnection Facilities and the Network Upgrades, the Interconnection Customer shall receive an invoice of the final cost due under this GIA, including any applicable cost due to termination, which 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. Interconnection Customer shall receive a refund of 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 either Party will not constitute a waiver of any rights or claims either Party may have under this GIA.
- 12.4 Disputes.** In the event of a billing dispute between the Parties, Transmission Owner, and 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 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 Owner may 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 the other Party shall pay the amount due with the accrued interest, if any.

Article 13. Emergencies

- 13.1 Definition.** “Emergency Condition” shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, 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, or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of 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, Transmission Owner's Interconnection Facilities; or (4) 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 black start shall be considered Emergency Conditions; provided that Interconnection Customer is not obligated by the Generator Interconnection Agreement to possess black start capability.
- 13.2 Obligations.** Each Party shall comply with the Emergency Condition procedures of NERC, the Applicable Reliability Council, Transmission Provider, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.
- 13.3 Notice.** Transmission Provider or Transmission Owner shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Owner's Interconnection Facilities or the Transmission System that may reasonably be expected to affect Interconnection Customer's operation of the Generating Facility or Interconnection Customer's Interconnection Facilities. Interconnection Customer shall notify Transmission Provider and Transmission Owner promptly when it

becomes aware of an Emergency Condition that affects the Generating Facility or Interconnection Customer's Interconnection Facilities that may reasonably be expected to affect the Transmission System or 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 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.

13.4 Immediate Action. Unless, in Interconnection Customer's reasonable judgment, immediate action is required, Interconnection Customer shall obtain the consent of Transmission Owner, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Generating Facility or Interconnection Customer's Interconnection Facilities in response to an Emergency Condition either declared by Transmission Provider or Transmission Owner or otherwise regarding the Transmission System.

13.5 Transmission Provider and Transmission Owner Authority.

13.5.1 General. Transmission Provider and/or Transmission Owner may take whatever actions or inactions with regard to the Transmission System or 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 Transmission Owner's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

Transmission Provider and Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Provider and/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 13.5.2; directing Interconnection Customer to assist with blackstart (if available) or restoration efforts; or altering the outage schedules of the Generating Facility and Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of Transmission Provider's and 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.

13.5.2 Reduction and Disconnection. Transmission Provider and/or Transmission Owner may reduce Interconnection Service or disconnect the Generating Facility or 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 Transmission Provider pursuant to Transmission Provider's Tariff. When Transmission Provider and/or Transmission Owner can schedule the reduction or disconnection in advance, Transmission Provider and/or Transmission Owner shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider and/or Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Interconnection Customer, Transmission Provider and/or Transmission Owner. 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.

- 13.6 Interconnection Customer Authority.** Consistent with Good Utility Practice and the GIA and the GIP, Interconnection Customer may take actions or inactions with regard to the Generating Facility or 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 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 Transmission Owner's Interconnection Facilities. Transmission Provider and/or Transmission Owner shall use Reasonable Efforts to assist Interconnection Customer in such actions.
- 13.7 Limited Liability.** Except as otherwise provided in Article 11.9.1 of this GIA, no Party shall be liable to the other Parties 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.

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 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, or the Public Utility Regulatory Policies Act of 1978 as amended by the 2005 Energy Policy Act.

- 14.2 Governing Law.**

14.2.1 The validity, interpretation and performance of this GIA and each of its provisions shall be governed by Federal law or by the laws of the state where the Point of Interconnection is located, as applicable.

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 another and any instrument required or permitted to be tendered or delivered by any Party in writing to another 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.

Any 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 another and not required by this Agreement 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 No Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 4), 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 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 due diligence 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 shall give written notice of such Breach to the breaching Party. Except as provided in Article 17.1.2, the breaching Party shall have thirty (30) Calendar Days from receipt of the Default 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 Default 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 shall have the right to declare a Default and terminate this GIA by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this GIA, to recover from the breaching Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this GIA.

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Parties harmless from, 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 Parties' action or inactions 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. Notwithstanding the provisions of this Article 18, the liability of the Transmission Owner shall be limited to and determined in accordance with the Federal Tort Claims Act, 28. U.S.C. § 1346(c), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.

18.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 18 as a result of a claim by a third party, and the indemnifying

Party fails, after notice and reasonable opportunity to proceed under Article 18.1, to assume the defense of such claim, such indemnified person 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.

18.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 18, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

18.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 18.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

18.2 Consequential Damages. In no event shall any Party be liable to any other Party 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 any Party may be liable to another Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Interconnection Customer Insurance. Interconnection Customer shall at its own expense, maintain in force throughout the period of this GIA, and until released by all other Parties, the following minimum insurance coverages, with insurers authorized to do business in the state where the Point of Interconnection is located:

18.3.1 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. The minimum limits for the Employers' Liability insurance shall be One Million Dollars (\$1,000,000) each accident bodily injury by accident, One Million Dollars (\$1,000,000) each employee bodily injury by disease, and One Million Dollars (\$1,000,000) policy limit bodily injury by disease.

18.3.2 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 (if applicable), independent contractors coverage, coverage for pollution (if exposure is present) and punitive or exemplary damages, with minimum limits of One Million Dollars (\$1,000,000) each occurrence/Two Million Dollars (\$2,000,000) general aggregate and Two Million Dollars (\$2,000,000) products and completed operations aggregate combined single limit for personal injury, bodily injury, including death and property damage.

18.3.3 Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage.

18.3.4 Excess Liability Insurance over and above the Employers' Liability Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) each occurrence/Twenty Million Dollars (\$20,000,000) general aggregate.

18.3.5 The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other Party, its parent, 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 Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.

- 18.3.6** The Commercial General Liability Insurance, 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.
- 18.3.7** 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 to by all Parties.
- 18.3.8** The requirements contained herein as to the types and limits of all insurance to be maintained by the Interconnection Customer are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this Agreement.
- 18.3.9** Within ten (10) days following execution of this GIA, 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 shall provide certification of all insurance required in this GIA, executed by each insurer or by an authorized representative of each insurer to the Other Party Group.
- 18.3.10** Notwithstanding the foregoing, Interconnection Customer may self-insure to meet the minimum insurance requirements of Articles 18.3.2 through 18.3.8 to the extent it maintains a self-insurance program; provided that, such Interconnection Customer's senior secured debt is rated at investment grade or better by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 18.3.2 through 18.3.8. For any period of time that an Interconnection Customer's senior secured debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Interconnection Customer shall comply with the insurance requirements applicable to it under Articles 18.3.2 through 18.3.9. In the event that Interconnection Customer 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 18.3.9.

18.3.11 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.

18.4 Transmission Owner Insurance. Transmission Owner is self-insured in accordance with its status as a Federal agency.

Article 19. Assignment

19.1 Assignment. This GIA may be assigned by any Party only with the written consent of the other Parties to any Affiliate of the assigning Party, or other third party, with an acceptable credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this GIA. Interconnection Customer shall have the right to assign this GIA, with the written consent of Transmission Provider and Transmission Owner, for collateral security purposes to aid in providing financing for the Generating Facility. 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 Transmission Provider and Transmission Owner of the date and particulars of any such exercise of assignment right(s), including providing the Transmission Provider with proof that it meets the requirements of Articles 11.7 and 18.3. 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. 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 Interconnection Customer (or any third party, but only if such third party is not acting at the direction of Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Negotiated Option (Article 5.1.3), 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, 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 any of the Parties to another 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.

If requested by any Party, a Party shall provide in writing, the basis for asserting that the information referred to in this Article 22 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, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

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 third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this GIA; or (6) is required, in accordance with Article 22.1.7 of the 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 other 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, consultants, or to parties who may be or 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 each Party discloses another other Party. The disclosure by any Party to another 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 Governmental Authority or entity with the right, power, and apparent authority to do so requests or requires a Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of 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 other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.

22.1.9 Remedies. This Section 22.1.9 shall not apply to the Transmission Owner. 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 other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach

its obligations under this Article 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this 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 C.F.R. Section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to 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 C.F.R. Section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying another Party to this GIA prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Parties to the 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 C.F.R. Section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, if consistent with the applicable Federal and state laws, rules and regulations.

22.1.11 Subject to the exception in Article 22.1.10, any information that a Party claims is competitively sensitive, commercial or financial information under this GIA ("Confidential Information") shall not be disclosed by another Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this GIA or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party

in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

- 22.1.12** This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a Breach of this provision).

Article 23. Environmental Releases

- 23.1** Each Party shall notify the other Party, 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 the other 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 Party copies of any publicly available reports filed with any Governmental Authorities addressing such events.
- 23.2** Each Party shall remedy as soon as practicable all releases of Hazardous Substances brought to, or created at, real property it owns underlying the Generating Facility or Interconnection Facilities, and any such substances migrating from real property it owns at the Generating Facility site. The Party that caused the release shall bear the costs of the remedial action, which shall meet applicable Federal and state environmental standards at the time of the action. Such costs may include, but are not limited to, Federal and state supervision, remedial action plans, removal and remedial actions, and negotiation of voluntary and judicial agreements required to meet such environmental standards.
- 23.3** The Parties agree to comply fully with the substantive requirements of all applicable Federal, state and local environmental laws in the performance of their obligations hereunder, and to mitigate and abate adverse environmental impacts accordingly.

Article 24. Information Requirements

- 24.1 Information Acquisition.** Transmission Provider and 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.** The initial information submission by Transmission Provider shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Transmission System information necessary to allow Interconnection Customer to select equipment and meet any system protection and stability requirements, unless otherwise agreed to by the Parties. On a monthly basis Transmission Provider shall provide Interconnection

Customer a status report on the construction and installation of Transmission Provider's Interconnection Facilities 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.

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 the other Parties are 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. Each 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 the Parties 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 another Party, to audit at its own expense that other Party's accounts and records pertaining to either Party's performance or either Party's satisfaction of obligations under this GIA. Such audit rights shall include audits of the other Party's costs, calculation of invoiced amounts, Transmission Provider's efforts to allocate responsibility for the provision of reactive support to the Transmission System, Transmission Provider's efforts to allocate responsibility for interruption or reduction of generation on the Transmission System, 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, 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 any 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 other Party 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 Parties 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 Parties 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 Transmission Owner be liable for the actions or inactions of Interconnection Customer or its subcontractors with respect to obligations of 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, the Parties agree to resolve such dispute using 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 Federal laws or 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. Joint Operating Committee

29.1 Joint Operating Committee. At least six (6) months prior to the expected Initial Synchronization Date, Interconnection Customer, Transmission Owner and Transmission Provider shall each appoint one representative and one alternate to the Joint Operating Committee. Each Party shall notify the other Parties of its appointment in writing. Such appointments may be changed at any time by similar notice. The Joint Operating Committee shall meet as necessary, but not less than once each calendar year, to carry out the duties set forth herein. The Joint Operating Committee shall hold a meeting at the request of any Party, at a time and place agreed upon by the representatives. The Joint Operating Committee shall perform all of its duties consistent with the provisions of this GIA. All Parties shall cooperate in providing to the Joint Operating Committee all information required in the performance of the Joint Operating Committee's duties. All decisions and agreements, if any, made by the Joint Operating Committee, shall be evidenced in writing. The duties of the Joint Operating Committee shall include the following:

29.1.1 Establish data requirements and operating record requirements.

- 29.1.2** Review the requirements, standards, and procedures for data acquisition equipment, protective equipment, and any other equipment or software.
- 29.1.3** Annually review the one (1) year forecast of maintenance and planned outage schedules of Transmission Owner's and Interconnection Customer's facilities at the Point of Interconnection.
- 29.1.4** Coordinate the scheduling of maintenance and planned outages on the Interconnection Facilities, the Generating Facility and other facilities that impact the normal operation of the interconnection of the Generating Facility to the Transmission System.
- 29.1.5** Ensure that information is being provided by each Party regarding equipment availability.
- 29.1.6** Perform such other duties as may be conferred upon it by mutual agreement of the Parties.

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.
- 30.2 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, and also incorporating through reference Section 39.3 of the Tariff as if it were a part hereof, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this GIA. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, a 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 a 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 Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from 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 three 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 each 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 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 by another Party 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 the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.

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

SOUTHWEST POWER POOL, INC.

By: _____

Title: _____

Date: _____

[Insert name of Transmission Owner]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

APPENDIX A TO GIA

Interconnection Facilities, Network Upgrades and Distribution Upgrades

1. Interconnection Facilities:

(a) [insert Interconnection Customer's Interconnection Facilities]:

(b) [insert Transmission Provider's Interconnection Facilities]:

2. Network Upgrades:

(a) [insert Stand Alone Network Upgrades]:

(b) [insert Shared Network Upgrades]:

(c) [insert Previous Network Upgrades]:

3. Distribution Upgrades:

4. Interconnection Service:

Interconnection Customer has requested the following (from Appendix 1 of the GIP):

_____ **Energy Resource Interconnection Service**
_____ **Network Resource Interconnection Service**

5. Construction Option Selected by Customer

6. Permits, Licenses, and Authorizations

7. Description of the Point of Change of Ownership

8. Description of the Point of Interconnection

9. Higher-Queued Interconnection Customers

10. Environmental Requirements

This GIA is subject to completion of the appropriate National Environmental Policy Act (NEPA) level of Environmental Review. **Until a NEPA decision document is issued, no construction activities relating to Transmission Owner's Interconnection Facilities and/or Network Upgrades may commence.**

(a) [Insert Environmental Requirements for an Environmental Impact Statement (EIS)]

level of Environmental Review]

(b) [Insert Environmental Requirements for an Environmental Assessment (EA) level of Environmental Review]

APPENDIX B TO GIA

Milestones

APPENDIX C TO GIA

Interconnection Details

1. Description of Generating Facility:

Wind Generating Facility Output Reduction

To protect the reliability of the Transmission System, a Generating Facility that is a wind plant shall be capable of reducing its generation output in increments of no more than fifty (50) MW in five (5) minute intervals. The requirements may be met by using: (a) SCADA control of circuit breakers protecting wind farm collector distribution circuits, (b) automatic control of wind turbine power output, or (c) a combination of (a) and (b).

APPENDIX D TO GIA

Security Arrangements Details

Infrastructure security of Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day Transmission System reliability and operational security. FERC will expect all Transmission Providers, market participants, and Interconnection Customers interconnected to the Transmission System to comply with the recommendations offered by the National Infrastructure Advisory Council and, eventually, 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]

_____,
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

[Transmission Owner Address]

Re: _____ Generating Facility

Dear _____:

On **[Date]** **[Interconnection Customer]** has completed Trial Operation of Unit No. ____.
This letter confirms that **[Interconnection Customer]** commenced Commercial Operation of Unit
No. ____ at the Generating Facility, effective as of **[Date plus one day]**.

Thank you.

[Signature]

[Interconnection Customer Representative]

APPENDIX F TO GIA
ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS

Notices:

Transmission Provider:

_____, _____
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Billings and Payments: [Specify addresses for construction invoices, O&M invoices and settlement of ancillary services]

Transmission Provider:

_____, _____
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

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

Transmission Provider:

_____, _____
Southwest Power Pool, Inc.

201 Worthen Drive
Little Rock, AR 72223-4936
Phone: _____
Facsimile: 501-482-2022

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Operational Communications: [Identify contacts for operations]

Transmission Provider:

_____, _____
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Phone: _____
Facsimile: 501-482-2022

Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

APPENDIX G TO GIA

REQUIREMENTS OF GENERATORS RELYING ON NEWER TECHNOLOGIES

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. the 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 Transmission System 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 Transmission System 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 power factor within the range of 0.95 leading to 0.95 lagging, 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.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment V Appendix 14, Attachment V Appendix 14, 0.0.0, A

Record Narrative Name: Attachment V Appendix 14

Tariff Record ID: 1313

Tariff Record Collation Value: 399433541 Tariff Record Parent Identifier: 422

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: NEW

Record Content Type: 1

Associated Filing Identifier:

APPENDIX 14 TO THE GENERATOR INTERCONNECTION PROCEDURES

INTERIM GENERATOR INTERCONNECTION AGREEMENT (INTERIM GIA)

(For use when Western-UGP is a Party to the Interim GIA, as the Transmission Owner)

TABLE OF CONTENTS

Recitals

Article 1. Definitions

Article 2. Effective Date, Term, and Termination

2.1 Effective Date

2.2 Term of Agreement

2.3 Termination Procedures

2.3.1 Termination Events

2.3.2 Default

2.4 Termination Costs

2.5 Disconnection or Limitation of Output

2.6 Survival

Article 3. Regulatory Filings

3.1 Filing

Article 4. Scope of Service

4.1 Interim Interconnection Product Options

4.1.1 Energy Resource Interim Interconnection Service

4.1.1.1 The Product

4.1.1.2 Transmission Delivery Service Implications

4.1.2 Network Resource Interim Interconnection Service

4.1.2.1 The Product

4.1.2.2 Transmission Delivery Service Implications

4.2 Provision of Service

4.2.1.1 Pre-Commercial Operation Testing

4.2.1.2 Interim Interconnection Service

4.3 Performance Standards

4.4 No Transmission Delivery Service

4.5 Interconnection Customer Provided Services

Article 5. Interconnection Facilities Engineering, Procurement, and Construction

5.1 Options

5.1.1 Standard Option

5.1.2 Option to Build

5.1.3 Negotiated Option

5.2 General Conditions Applicable to Option to Build

5.3 Reserved

5.4 Power System Stabilizers

5.5 Equipment Procurement

5.6 Construction Commencement

5.7 Work Progress

5.8 Information Exchange

5.9 Reserved

5.10 Interconnection Customer's Interconnection Facilities ('ICIF')

5.10.1 Interconnection Customer's Interconnection Facility Specifications

5.10.2 Transmission Owner's Review

5.10.3 ICIF Construction

5.10.4 Updated Information Submission by Interconnection Customer

5.10.5 Information Supplementation

5.11 Transmission Owner's Interconnection Facilities Construction

5.12 Access Rights

5.13 Lands of Other Property Owners

5.14 Permits

5.15 Early Construction of Base Case Facilities

5.16 Reserved

5.17 Reserved

5.18 Tax Status

5.19 Modification

5.19.1General

5.19.2Standards

5.19.3Modification Costs

5.20 Delays

Article 6.Testing and Inspection

6.1Pre-Commercial Operation Date Testing and Modifications

6.2Post-Commercial Operation Date Testing and Modifications

6.3Right to Observe Testing

6.4Right to Inspect

Article 7.Metering

7.1General

7.2Check Meters

7.3Standards

7.4Testing of Metering Equipment

7.5Metering Data

Article 8.Communications

8.1Interconnection Customer Obligations

8.2Remote Terminal Unit

8.3No Annexation

Article 9.Operations

9.1General

9.2Control Area Notification

9.3Transmission Provider and Transmission Owner Obligations

9.4Interconnection Customer Obligations

9.5Start-Up and Synchronization

9.6Reactive Power

9.6.1Power Factor Design Criteria

9.6.2Voltage Schedules

9.6.2.1Governors and Regulators

9.6.3Payment for Reactive Power

9.7Outages and Interruptions

9.7.1Outages

9.7.1.1Outage Authority and Coordination

9.7.1.2Outage Schedules

9.7.1.3Outage Restoration

9.7.2Interruption of Service

9.7.3Under-Frequency and Over Frequency Conditions

9.7.4System Protection and Other Control Requirements

9.7.4.1System Protection Facilities

9.7.5Requirements for Protection

9.7.6Power Quality

9.8Switching and Tagging Rules

9.9Use of Interconnection Facilities by Third Parties

9.9.1Purpose of Interconnection Facilities

9.9.2Third Party Users

9.10Disturbance Analysis Data Exchange

Article 10.Maintenance

10.1Transmission Owner Obligations

10.2Interconnection Customer Obligations

10.3Coordination

10.4Secondary Systems

10.5Operating and Maintenance Expenses

Article 11.Performance Obligation

11.1Interconnection Customer Interconnection Facilities

11.2Reserved

11.3Transmission Owner's Interconnection Facilities

11.4Network Upgrades and Distribution Upgrades

11.5Transmission Credits

11.5.1Credits for Amounts Advanced for Network Upgrades

11.5.2Special Provisions for Affected Systems

11.6Initial Payment

11.7Provision of Security

11.7.1Initial Security

11.7.2Security Adjustment

11.8Advance Payment

11.9Interconnection Customer Compensation

11.9.1Interconnection Customer Compensation for Actions During
Emergency Condition

Article 12.Invoice

12.1General

12.2Final Invoice

12.3Payment

12.4Disputes

Article 13.Emergencies

13.1Definition

13.2Obligations

13.3Notice

13.4Immediate Action

13.5Transmission Provider and Transmission Owner Authority

13.5.1General

13.5.2Reduction and Disconnection

13.6Interconnection Customer Authority

13.7Limited Liability

Article 14.Regulatory Requirements and Governing Law

14.1Regulatory Requirements

14.2Governing Law

Article 15.Notices

15.1General

15.2Billings and Payments

15.3Alternative Forms of Notice

15.4Operations and Maintenance Notice

Article 16.Force Majeure

Article 17.Default

17.1Default

17.1.1General

17.1.2Right to Terminate

Article 18.Indemnity, Consequential Damages and Insurance

18.1Indemnity

18.1.1Indemnified Person

18.1.2Indemnifying Party

18.1.3Indemnity Procedures

18.2Consequential Damages

18.3Interconnection Customer Insurance

18.4Transmission Owner Insurance

Article 19.Assignment

Article 20.Severability

Article 21.Comparability

Article 22.Confidentiality

22.1Confidentiality

22.1.1Term

22.1.2Scope

22.1.3Release of Confidential Information

22.1.4Rights

22.1.5No Warranties

22.1.6Standard of Care

22.1.7Order of Disclosure

22.1.8Termination of Agreement

22.1.9Remedies

22.1.10 Disclosure to FERC, its Staff, or a State

Article 23.Environmental Releases

Article 24.Information Requirements

24.1Information Acquisition

24.2Information Submission by Transmission Provider

Article 25.Information Access and Audit Rights

25.1Information Access

25.2Reporting of Non-Force Majeure Events

25.3Audit Rights

25.4Audit Rights Periods

25.4.1Audit Rights Period for Construction-Related Accounts and Records

25.4.2Audit Rights Period for All Other Accounts and Records

25.5Audit Results

Article 26.Subcontractors

26.1General

26.2Responsibility of Principal

26.3No Limitation by Insurance

Article 27.Disputes

27.1Submission

Article 28.Representations, Warranties, and Covenants

28.1General

28.1.1Good Standing

28.1.2Authority

28.1.3No Conflict

28.1.4Consent and Approval

Article 29.Joint Operating Committee

Article 30.Miscellaneous

30.1Binding Effect

30.2Conflicts

30.3Rules of Interpretation

30.4Entire Agreement

30.5No Third Party Beneficiaries

30.6Waiver

30.7Headings

30.8Multiple Counterparts

30.9Amendment

30.10Modification by the Parties

30.11Reservation of Rights

30.12No Partnership

Appendix A - Interconnection Facilities, Network Upgrades and Distribution Upgrades, Security, Type and Amount of Interconnection Service, Construction Option, and Higher Queued Project List

Appendix B – Milestones

Appendix C – Interconnection Details

Appendix D – Infrastructure and Operational Security Arrangements

Appendix E – Commercial Operation Date

Appendix F – Addresses for Delivery of Notices and Billings

Appendix G – Requirements of Generators Relying on Newer Technologies

INTERIM GENERATOR INTERCONNECTION AGREEMENT

THIS INTERIM GENERATOR INTERCONNECTION AGREEMENT

("Agreement" or "Interim GIA") is made and entered into this ____ day of _____, by and among _____, a _____ organized and existing under the laws of the State/Commonwealth of _____ ("Interconnection Customer" with a Generating Facility), Southwest Power Pool, Inc., a corporation organized and existing under the laws of the State of Arkansas ("Transmission Provider") and Western Area Power Administration- Upper Great Plains Region ("Western-UGP"), a Federal power marketing agency organized under the United States Department of Energy ("Transmission Owner"). Interconnection Customer, Transmission Provider and Transmission Owner each may be referred to as a "Party" or collectively as the "Parties."

Recitals

WHEREAS, Transmission Provider functionally controls the operation of 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 C to this Agreement; and,

WHEREAS, Transmission Owner owns facilities to which the Generating Facility is to be interconnected and may be constructing facilities to allow the interconnection; and,

WHEREAS, Transmission Provider has posted on its website a Definitive Interconnection System Impact Study that included the Interconnection Customer's Generating Facility and has conducted an additional analysis to determine the availability of Interim Interconnection Service at the time of the Interconnection Customer's requested In-Service Date and Commercial Operation Date with the Transmission System topology and in-service generation expected to be in place at that time; and,

WHEREAS, Interconnection Customer, in accordance with Section 11A.2.1 of the Generator Interconnection Procedures ("GIP"), has provided Transmission Provider with reasonable evidence of Site Control or additional security and with reasonable evidence that one or more of the milestones listed in Section 11A.2.1 has been achieved; and

WHEREAS, Interconnection Customer, Transmission Provider and Transmission Owner have agreed to enter into this Agreement for the purpose of interconnecting the Generating Facility with the Transmission System on an interim basis prior to the completion of the generator interconnection study process set forth in the GIP and execution of a Generator Interconnection Agreement;

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

When used in this Interim 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 or the Open Access Transmission Tariff (“Tariff”).

Article 1. Definitions

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 system other than the Transmission System that may be affected by the proposed interconnection.

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.

Applicable Reliability Council shall mean the reliability council applicable to the Transmission System to which the Generating Facility is directly interconnected.

Applicable Reliability Standards shall mean the requirements and guidelines of NERC, the Applicable Reliability Council, and the Control Area of the Transmission System to which the Generating Facility is directly interconnected.

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

Breach shall mean the failure of a Party to perform or observe any material term or condition of the Interim Generator Interconnection Agreement.

Breaching Party shall mean a Party that is in Breach of the Interim Generator Interconnection Agreement.

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

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

Clustering shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting Interconnection Studies.

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 the Interim Generator Interconnection Agreement.

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

Control Area shall mean an electrical system or systems bounded by interconnection metering and telemetry, capable of controlling generation to maintain its interchange schedule with other Control Areas and contributing to frequency regulation of the interconnection. A Control Area must be certified by the Applicable Reliability Council.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the Interim Generator Interconnection Agreement.

Definitive 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 a Preliminary Interconnection System Impact Study or that may be caused by the withdrawal or addition of an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Definitive Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3A of the Generator Interconnection Procedures for conducting the Definitive Interconnection System Impact Study.

Definitive Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Definitive Interconnection System Impact Study.

Dispute Resolution shall mean the procedure in Section 12 of the Tariff for resolution of a dispute between 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 that are not included in the Transmission System. The voltage levels at which Distribution Systems operate differ among areas.

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 transmission 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 the Interim Generator Interconnection Agreement becomes effective upon execution by the Parties subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of Transmission Provider, 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 or the electric systems of others to which the Transmission System is directly connected; or (3) that, in the case of 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 Transmission Owner's Interconnection Facilities; or (4) 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 black start shall be considered Emergency Conditions; provided, that Interconnection Customer is not obligated by Interim Generator Interconnection Agreement to possess black start capability.

Energy Resource Interim Interconnection Service shall mean an Interim Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of the Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself 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.

Environmental Review shall mean a study conducted by the Transmission Owner that contains a review of the proposed interconnection to the Transmission Owner's transmission facilities, pursuant to the National Environmental Policy Act (NEPA), 42 U.S.C. §4321, et seq.,

as amended, and setting forth Interconnection Customer's responsibilities in connection with such review of the interconnection.

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 (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 acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

Generating Facility shall mean Interconnection Customer's device 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 applicable to an Interconnection Request pertaining to a Generating Facility that is included in the Transmission Provider's Tariff.

Generator Interconnection Procedures (GIP) shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Generating Facility that are included in the Transmission Provider's Tariff.

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.

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.

Higher Queued Projects shall mean those projects specifically identified as "Higher Queued Projects" in Appendix A.

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 back feed power.

Interconnection Customer shall mean any entity, including the 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 the Interim Generator Interconnection Agreement, 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. 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 are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades.

Interconnection Facilities Study shall mean a study conducted by the Transmission Provider or a third party consultant for the Interconnection Customer to determine a list of facilities (including Transmission Owner's Interconnection Facilities and Network Upgrades as identified in the Definitive Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission System. The scope of the study is defined in Section 8 of the Generator Interconnection Procedures.

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 Facilities Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Facilities Study.

Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Generating Facility to the Transmission System, the scope of which is described in Section 6 of the Generator Interconnection Procedures.

Interconnection Feasibility Study Agreement shall mean the form of agreement contained in Appendix 2 of the Generator Interconnection Procedures for conducting the Interconnection Feasibility Study.

Interconnection Feasibility Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for an Interconnection Feasibility Study.

Interconnection Queue Position shall mean the order of a valid Interconnection Request within the Interconnection Facilities Study Queue, relative to all other pending valid Interconnection Requests within the Interconnection Facilities Study Queue, which is established based upon the requirements in Section 4.1.3 of the Generator Interconnection Procedures.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Generator Interconnection Procedures, in accordance with the Tariff, 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 Interconnection Customer's Generating Facility to the Transmission Provider's 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 the Generator Interconnection Agreement and, if applicable, the Tariff.

Interconnection Study shall mean any of the following studies: the Interconnection Feasibility Study, the Preliminary Interconnection System Impact Study, the Definitive Interconnection System Impact Study, the Interim Availability Interconnection System Impact Study, and the Interconnection Facilities Study described in the Generator Interconnection Procedures.

Interconnection Study Agreement shall mean any of the following agreements: the Interconnection Feasibility Study Agreement, the Preliminary Interconnection System Impact Study Agreement, the Definitive Interconnection System Impact Study Agreement, the Interim Availability Interconnection System Impact Study Agreement, and the Interconnection Facilities Study Agreement described in the Generator Interconnection Procedures.

Interim Availability Interconnection System Impact Study shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of the Transmission System and, if applicable, an Affected System for the purpose of providing Interim Interconnection Service. The study shall identify and detail the system impacts that

would result if the Generating Facility were interconnected without project modifications or system modifications on an interim basis.

Interim Availability Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 5 of the Generator Interconnection Procedures for conducting the Interim Availability Interconnection System Impact Study.

Interim Generator Interconnection Agreement (Interim GIA) shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Generating Facility to allow interconnection to the Transmission System prior to the completion of the Interconnection Study process.

Interim Interconnection Service shall mean the service provided by the Transmission Provider associated with interconnecting the Interconnection Customer's Generating Facility to the Transmission Provider's 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 the Interim Generator Interconnection Agreement and, if applicable, the Tariff.

IRS shall mean the Internal Revenue Service.

Joint Operating Committee shall be a group made up of representatives from Interconnection Customer, Transmission Owner and the Transmission Provider to coordinate operating and technical considerations of Interconnection Service.

Loss shall mean any and all losses 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 another Party's performance, or non-performance of its obligations under the Interim Generator Interconnection Agreement, on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying 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 the Interim Generator Interconnection Agreement, 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 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 Interim Interconnection Service shall mean an Interim Interconnection Service that allows the Interconnection Customer to integrate its Generating Facility with the Transmission System in a manner comparable to that in which the Transmission Owner integrates its generating facilities to serve Native Load Customers as a Network Resource. Network Resource Interim Interconnection Service in and of itself 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 to accommodate the interconnection of the Generating Facility to the Transmission System.

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with the Interim Generator Interconnection Agreement, or its performance.

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 Interim 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 to the Interim Generator Interconnection Agreement, where the Interconnection Facilities connect to the Transmission System.

Preliminary 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 an Interconnection Feasibility Study or that may be caused by an Interconnection Request, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Generator Interconnection Procedures.

Preliminary Interconnection System Impact Study Agreement shall mean the form of agreement contained in Appendix 3 of the Generator Interconnection Procedures for conducting the Preliminary Interconnection System Impact Study.

Preliminary Interconnection System Impact Study Queue shall mean a Transmission Provider separately maintained queue for valid Interconnection Requests for a Preliminary Interconnection System Impact Study.

Previous Network Upgrade shall mean a Network Upgrade that is needed for the interconnection of one or more Interconnection Customers' Generating Facilities, but is not the cost responsibility of the Interconnection Customer, subject to restudy, and which is identified in

Appendix A of the Generator Interconnection Agreement.

Queue shall mean the Interconnection Feasibility Study Queue, the Preliminary Interconnection System Impact Study Queue, the Definitive Interconnection System Impact Study Queue, or the Interconnection Facilities Study Queue, as applicable.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Interim Generator Interconnection Agreement efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer, Transmission Owner 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 listed in Appendix A of the Generator Interconnection Agreement that is needed for the interconnection of multiple Interconnection Customers' Generating Facilities and which is the shared funding responsibility of such Interconnection Customers that may also benefit 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 of sufficient size for the purpose of constructing the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size 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 of sufficient size for such purpose.

Small Generating Facility shall mean a Generating Facility that has an aggregate net Generating Facility Capacity of no more than 2 MW.

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 the Interim Generator Interconnection Agreement.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the Transmission System 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 FERC, and as amended or supplemented from time to time, or any successor tariff.

Transmission Owner shall mean an entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of Interconnection and may be a Party to the Interim Generator Interconnection Agreement to the extent necessary.

Transmission Provider shall mean the public utility (or its Designated Agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the Tariff. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from the Transmission Provider.

Transmission Owner's Interconnection Facilities shall mean all facilities and equipment owned, controlled or operated by the Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Interim Generator Interconnection Agreement, 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 Stand Alone Network Upgrades or Network Upgrades.

Transmission System shall mean the facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide transmission 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.

Western Area Power Administration-Upper Great Plains Region ("Western-UGP") shall mean a division of the Western Area Power Administration, a Federal power marketing agency, and Transmission Owner, that markets and transmits Federal power over Federal transmission facilities that have been transferred to the functional control of the Transmission Provider.

Article 2. Effective Date, Term, and Termination

2.1 Effective Date. This Interim 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 Interim GIA with FERC upon execution in accordance with Article 3.1, if required.

2.2 Term of Agreement. This Interim GIA shall remain in effect from its Effective Date until the earliest occurrence of one of the termination events described in Article 2.3.1. Notwithstanding this Article 2.2 or 2.3, the maximum effective period of this Interim GIA shall be two (2) years from the Effective Date.

2.3 Termination Procedures.

2.3.1 Termination Events.

2.3.1.1 This Interim GIA may be terminated by Interconnection Customer after giving Transmission Provider and Transmission Owner ninety (90) Calendar Days advance written notice, or by Transmission Provider notifying FERC after the Generating Facility permanently ceases Commercial Operation.

2.3.1.2 This Interim GIA shall terminate upon occurrence of one or more of the following events:

(a) The Effective Date of a GIA regarding the Generating Facility that is the subject of this Interim GIA that has been accepted by FERC and/or reported in Transmission Provider's Electric Quarterly Report;

(b) The date of a FERC order rejecting an unexecuted GIA regarding the Generating Facility that is the subject of this Interim GIA;

(c) The date the Interconnection Customer's Interconnection Request is deemed withdrawn pursuant to the GIP;

(d) The Interconnection Customer's failure to pay part or all of the required security pursuant to Article 11.7; or

(e) The Transmission Provider's determination in accordance with Article 4.2.2, that Interim Interconnection Service to Interconnection Customer and the amount of power that Interconnection Customer is permitted to inject into the Transmission System from its Generating Facility pursuant to this Interim GIA is reduced to zero.

2.3.2 Default. Any Party may terminate this Interim GIA in accordance with Article 17.

2.3.3 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 Interim GIA, which notice has been accepted for filing by FERC.

2.3.4 Upon termination of this Interim GIA for any reason, Interim Interconnection Service under this Interim GIA shall cease and the provisions of Section 11A.5 of the GIP shall apply.

2.4 Termination Costs.

2.4.1 If this Interim GIA is terminated pursuant to Article 2.3.1.2(a), the cost responsibilities of Interconnection Customer and Transmission Owner pursuant to this Interim GIA will be included in the GIA regarding the Generating Facility that is the subject of this Interim GIA to the extent not satisfied during the term of this Interim GIA.

2.4.2 If this Interim GIA is terminated pursuant to Article 2.3 for any reason except as specified 2.3.1.2(a), Interconnection Customer and Transmission Owner shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment), and charges assessed by any other Party, as of the date of such Party's receipt of such notice of termination, that are the responsibility of the Terminating Party under this Interim GIA. In the event of termination by any Party, all Parties shall use Commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this Interim GIA:

2.4.2.1 With respect to any portion of Transmission Owner's Interconnection Facilities that have not yet been constructed or installed, Transmission Owner shall to the extent possible and with Interconnection Customer's authorization 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 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 Transmission Owner to cancel any pending orders of or return such materials, equipment, or contracts.

If this Interim GIA is terminated pursuant to Article 2.3 for any reason except as specified in Article 2.3.1.2(a) Interconnection Customer shall be responsible for all costs incurred in association with the Interconnection Customer's interconnection, including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment, and other expenses including any Network Upgrades for which Transmission Owner has incurred expenses and has not been reimbursed by Interconnection Customer and shall forfeit the security paid pursuant to Article 11.5 of this Interim GIA up to the total of the costs and expenses listed in this paragraph.-

2.4.2.2 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.

2.4.2.3 With respect to any portion of the Interconnection Facilities, and any other facilities already installed or constructed pursuant to the terms of this Interim GIA, Interconnection Customer shall be responsible for all costs associated with the removal, relocation or other disposition or retirement of such materials, equipment, or facilities.

2.5 Disconnection or Limitation of Output. If this Interim GIA is terminated pursuant to Article 2.3 and disconnection or limitation in generation output is required, then the Parties will take all appropriate steps to either disconnect the Generating Facility from the Transmission System or limit the amount of generation output that can be injected into the transmission system pursuant to Section 4.2.2, whichever is applicable. All costs required to effectuate such disconnection or limitation shall be borne by Interconnection Customer, unless such termination resulted from another Party's Default of this Interim GIA, which in such event the defaulting Party shall be responsible for such disconnection costs.

2.6 Survival. Except as provided in this Article 2.6, this Interim 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 Interim GIA; to permit payments for any credits under this Interim GIA; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Interim GIA was in effect; and to permit each Party to have access to the lands of another Party pursuant to this Interim GIA or other applicable agreements, to disconnect, remove or salvage its own facilities and equipment.

Article 3. Regulatory Filings

3.1 Filing. Transmission Provider shall file this Interim GIA (and any amendment hereto) with the appropriate Governmental Authority, if required. Interconnection Customer may request that any information so provided be subject to the confidentiality provisions of Article 22. If Interconnection Customer has executed this Interim GIA, or any amendment thereto, Interconnection Customer 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 Interim Interconnection Product Options. Interconnection Customer has selected the following (checked) type of Interim Interconnection Service:

4.1.1 Energy Resource Interim Interconnection Service.

4.1.1.1 The Product. Energy Resource Interim Interconnection Service allows

Interconnection Customer to connect the Generating Facility to the Transmission System 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 Energy Resource Interim Interconnection Service for the term of this Interim GIA, unless otherwise specified in Appendix A, Transmission Owner shall construct the facilities listed in Appendix A to this Interim GIA.

4.1.1.2 Transmission Delivery Service Implications. Under Energy Resource Interim Interconnection Service, 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. 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 System 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 Upgrades.

4.1.2 Network Resource Interim Interconnection Service.

4.1.2.1 The Product. Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Generating Facility in a manner comparable to that in which Transmission Owner integrates its generating facilities to serve Native Load Customers as all Network Resources. To the extent Interconnection Customer wants to receive Network Resource Interim Interconnection Service for the term of this Interim GIA, Transmission Owner shall construct the facilities identified in Appendix A to this Interim GIA.

4.1.2.2 Transmission Delivery Service Implications. Network Resource Interim Interconnection Service allows Interconnection Customer's 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 interconnected to the Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur. Although Network Resource Interim Interconnection Service does not convey a reservation of transmission service, any Network Customer under the Tariff can utilize its network service under the Tariff to obtain delivery of energy from the interconnected Interconnection Customer's Generating Facility in the same manner as it accesses Network Resources. A Generating Facility receiving Network Resource Interim 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 an Interconnection Customer's Generating Facility has not been designated as a Network Resource by any load, 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.

Network Resource Interim Interconnection Service does not necessarily provide 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 constraints on the Transmission System, Interconnection Customer's Generating Facility shall be subject to the applicable congestion management procedures in Transmission Provider's Transmission System in the same manner as Network Resources.

The Network Resource Interim Interconnection Service studies are done in accordance with the process set out in Attachment Z1 of the Tariff. To the extent a Network Customer does designate the Generating Facility as a Network Resource, it must do so pursuant to Transmission Provider's Tariff.

Once an Interconnection Customer satisfies the requirements for obtaining Network Resource Interim 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 or not such Generating Facility is ever designated by a Network Customer as a Network Resource and regardless of changes in ownership of the Generating Facility. However, the reduction or elimination of congestion or redispatch costs may require additional studies and the construction of additional upgrades.

To the extent 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 Transmission Provider to grant such request.

4.2 Provision of Service. Transmission Provider shall provide Interim Interconnection Service for the Generating Facility at the Point of Interconnection as specified below.

4.2.1 The provision of Interim Interconnection Service and pre-commercial operation testing pursuant to this Interim GIA are contingent upon the Interconnection Facilities, Network Upgrades, Distribution Upgrades, and other necessary facilities listed in the applicable section of Appendix A to this Interim GIA being completed and in service. In no event shall pre-commercial operation testing or Interim Interconnection Service be permitted until the Interconnection Facilities, Network Upgrades, Distribution Upgrades and any other necessary facilities listed in applicable section of Appendix A to this Interim GIA are complete and in service.

4.2.1.1 Pre-Commercial Operation Testing. Interconnection Customer shall be able to sync its Generating Facility and its Interconnection Customer's Interconnection Facilities to the Transmission System for the purpose of testing pursuant to Article 6.1, once the applicable facilities described in Appendix A are complete and in service.

4.2.1.2 Interim Interconnection Service. Interconnection Customer shall be able to sync its Generating Facility and its Interconnection Customer's Interconnection Facilities to the Transmission System for the purpose of receiving Interim Interconnection Service and operating its Generating Facility up to the maximum amount for this Interim GIA, as specified in Appendix A on an "as available" basis once the applicable facilities in Appendix A are in service.

4.2.2 Interim Interconnection Service and the amount of power that Interconnection Customer is permitted to inject into the Transmission System from its Generating Facility pursuant to this Interim GIA may be reduced in whole or in part in the event that:

(a) one or more Interconnection Customer(s) with a Higher Queued Project (as specified in Appendix A): (i) has executed or subsequently executes an Interim GIA or a GIA that has been accepted by the FERC and/or reported in Transmission Provider's Electric Quarterly Report, or has an unexecuted Interim GIA or GIA filed with and accepted by the FERC for that Higher Queued Project and (ii) begins Commercial Operation of the Higher Queued Project during the term of this Interim GIA; and

(b) Transmission Provider at its sole discretion determines that Interim Interconnection Service and/or Interconnection Service cannot be provided simultaneously under this Interim GIA and to such other Interconnection Customer(s) under its Interim GIA(s) or final GIA(s) in an amount commensurate with the maximum amount specified in the respective agreements without additional Interconnection Facilities,

Network Upgrades, or Distribution Upgrades.

4.2.3 Any such reduction pursuant to Article 4.2.2 will be based on the Queue Position priority of the Interconnection Customer's Interconnection Request relative to the Queue Position priority of the Higher Queued Projects.

4.3 Performance Standards. Each Party shall perform all of its obligations under this Interim GIA in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice, and to the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this Interim GIA for its compliance therewith. If such Party is a Transmission Provider or Transmission Owner, then that Party shall amend the Interim GIA and Transmission Provider shall submit the amendment to FERC for approval.

4.4 No Transmission Delivery Service. The execution of this Interim GIA does not constitute a request for, nor the provision of, any transmission delivery service under Transmission Provider's 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 Interim GIA are set forth in Article 9.6 and Article 13.5.1. Interconnection Customer shall be paid for such services in accordance with Article 11.9.

Article 5. Interconnection Facilities Engineering, Procurement, and Construction

5.1 Options. Unless otherwise mutually agreed to between the Parties, Interconnection Customer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date; and either the Option To Build as described under Article 5.1.2 or the Negotiated Option described under Article 5.1.3 if the Interconnection Customer and the Transmission Owner cannot reach agreement under the Standard Option described under Article 5.1.1, for completion of Transmission Owner's Interconnection Facilities and Network Upgrades as set forth in Appendix A, Interconnection Facilities and Network Upgrades, and such dates and selected option, as applicable, shall be set forth in Appendix B, Milestones.

5.1.1 Standard Option. Transmission Owner shall design, procure, and construct Transmission Owner's Interconnection Facilities and Network Upgrades, using Reasonable Efforts to complete Transmission Owner's Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B, Milestones. 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, and Applicable Laws and Regulations. In the event Transmission Owner reasonably expects that it will not be able to complete Transmission Owner's Interconnection Facilities, and Network Upgrades by the specified dates,

Transmission Owner shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Option to Build. If the dates designated by Interconnection Customer are not acceptable to Transmission Owner, Transmission Owner shall so notify 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 on the dates specified in Article 5.1.1. Transmission Owner and Interconnection Customer 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.

5.1.3 Negotiated Option. If Interconnection Customer elects not to exercise its option under Article 5.1.2, 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, the provision of incentives or the procurement and construction of a portion of 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 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 Transmission Owner's Interconnection Facilities and Network Upgrades pursuant to Article 5.1.1, Standard Option.

5.2 General Conditions Applicable to Option to Build. If Interconnection Customer assumes responsibility for the design, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades,

- (1) Interconnection Customer shall engineer, procure equipment, and construct 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 Transmission Owner;
- (2) Interconnection Customer's engineering, procurement and construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades shall comply with all requirements of law to which Transmission Provider would be subject in the engineering, procurement or construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (3) Transmission Owner shall review and approve the engineering design, equipment

acceptance tests, and the construction of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;

- (4) Prior to commencement of construction, Interconnection Customer shall provide to Transmission Provider and Transmission Owner a schedule for construction of Transmission Provider'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 Owner shall have the right to gain unrestricted access to Transmission Owner'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 Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades not meet the standards and specifications provided by Transmission Owner, Interconnection Customer shall be obligated to remedy deficiencies in that portion of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades;
- (7) Interconnection Customer shall indemnify Transmission Provider and Transmission Owner for claims arising from 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 Transmission Provider;
- (9) Unless Parties otherwise agree, Interconnection Customer shall transfer ownership of Transmission Owner's Interconnection Facilities and Stand-Alone Network Upgrades to Transmission Owner not later than the Commercial Operation Date;
- (10) Transmission Owner shall approve and accept for operation and maintenance Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and
- (11) Interconnection Customer shall deliver to Transmission Owner "as-built" drawings, information, and any other documents that are reasonably required by Transmission Owner to assure that the Interconnection Facilities and Stand-Alone Network Upgrades are built to the standards and specifications required by Transmission Provider.

5.3 Reserved.

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 reserves 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 not capable of automatic operation, Interconnection Customer shall immediately notify Transmission Owner's system operator, or its designated representative. The requirements of this paragraph shall not apply to wind generators.

5.5 Equipment Procurement. If responsibility for construction of Transmission Owner's Interconnection Facilities or Network Upgrades is to be borne by Transmission Owner, then Transmission Owner shall commence design of Transmission Owner's Interconnection Facilities or Network 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 Transmission Provider has completed the Interim Availability Interconnection System Impact Study;

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

5.5.3 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.7 and advance payment to Transmission Owner in accordance with Article 11.8 by the dates specified in Appendix B, Milestones; and

5.5.4 The Parties have executed this Interim GIA.

5.6 Construction Commencement. Transmission Owner shall commence construction of Transmission Owner's Interconnection Facilities and Network 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 Transmission Owner's Interconnection Facilities and Network Upgrades;

5.6.3 Transmission Owner has received written authorization to proceed with construction from Interconnection Customer by the date specified in Appendix B, Milestones; and

5.6.4 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.7 and advance payment to Transmission Owner in accordance with Article 11.8.

5.7 Work Progress. The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Parties may, at any time, request a progress report from other Parties. If, at any time, Interconnection Customer determines that the completion of Transmission Owner's Interconnection Facilities and Network Upgrades will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Transmission Provider and Transmission Owner of such later date upon which the completion of Transmission Owner's Interconnection Facilities and Network Upgrades will be required.

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 Parties' Interconnection Facilities and compatibility of the Interconnection Facilities with the Transmission System, and shall work diligently and in good faith to make any necessary design changes.

5.9 Reserved.

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, Interconnection Facilities, Network Upgrades and Distribution Upgrades.

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

5.10.2 Transmission Owner's Review. 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 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 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, Interconnection Customer shall deliver to 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 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 Owner specifications for the excitation system, automatic voltage regulator, Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.10.4 Updated Information Submission by Interconnection Customer. The updated information submission by the Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Initial Synchronization Date. Interconnection Customer shall submit 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 and Interconnection Facilities Studies. 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 the Parties 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 Agreements 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 5.10.4. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

5.10.5 Information Supplementation. Prior to the Commercial Operation Date, or as soon as possible thereafter, the Parties shall supplement their information submissions described above in this Article 5 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 percent) 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 of 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 for each individual generating unit in a station.

Subsequent to the Commercial Operation Date, the Interconnection Customer shall provide Transmission Owner and Transmission Provider any information changes due to equipment replacement, repair, or adjustment. Transmission Owner shall provide the Interconnection Customer and Transmission Provider any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission Owner-owned 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.

- 5.11 Transmission Owner's Interconnection Facilities Construction.** Transmission Owner's Interconnection Facilities and Network Upgrades 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, Transmission Owner shall deliver to Interconnection Customer the following "as-built" drawings, information and documents for Transmission Owner's Interconnection Facilities and Network Upgrades [include appropriate drawings and relay diagrams].

Transmission Owner will obtain control of Transmission Owner's Interconnection Facilities and Stand Alone Network Upgrades upon completion of such facilities.

- 5.12 Access Rights.** Upon reasonable notice and supervision by a Party, and subject to any required or necessary regulatory approvals, a Party ("Granting Party") shall furnish at no cost to any 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 Interim GIA pursuant to Article 2.5. 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 Transmission Owner's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Transmission Owner, 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, and to the extent consistent with Federal or state law, as applicable, 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 Transmission Owner's Interconnection Facilities and/or Network 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 Provider or Transmission Owner shall provide permitting assistance to Interconnection Customer comparable to that provided to Transmission Provider's own, or an Affiliate's generation.
- 5.15 Early Construction of Base Case Facilities.** 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 required for Interconnection Customer to be interconnected to the Transmission System which are included in the Base Case of the Facilities Study for Interconnection Customer, and which also are required to be constructed for another Interconnection Customer, but where such construction is not scheduled to be completed in time to achieve Interconnection Customer's In-Service Date.
- 5.16 Reserved.**
- 5.17 Reserved.**
- 5.18 Tax Status.** All Parties shall cooperate with each other to maintain their tax status. Nothing in this Interim 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.** Each 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 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 Owner 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 System, Transmission Owner's Interconnection Facilities or Network Upgrades necessitated by such Interconnection Customer modification and a good faith estimate of the costs thereof.

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 Interim GIA and Good Utility Practice.

5.19.3 Modification Costs. Interconnection Customer shall not be directly assigned for the costs of any additions, modifications, or replacements that Transmission Owner makes to Transmission Owner's Interconnection Facilities or the Transmission System to facilitate the interconnection of a third party to Transmission Owner's Interconnection Facilities or the Transmission System, or to provide transmission service to a third party under Transmission Provider's Tariff. Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to 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.

5.20 Delays. If a Network Upgrade(s) identified in Appendix A is delayed during the construction process and the Commercial Operation Date for the Generating Facility identified in Appendix B is no longer feasible, the Commercial Operation Date in Appendix B may be modified to no later than six (6) months following the in-service date for the last Network Upgrade identified in Appendix A.

Article 6. Testing and Inspection

6.1 Pre-Commercial Operation Date Testing and Modifications. Prior to the Commercial Operation Date, Transmission Owner shall test Transmission Owner's Interconnection Facilities and Network Upgrades and Interconnection Customer shall test the Generating Facility and Interconnection Customer's Interconnection Facilities to ensure their safe and reliable operation. Similar testing may be required after initial

operation. Each Party shall make any modifications to its 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 System in a safe and reliable manner. Each Party shall have the right, upon advance written notice, to require reasonable additional testing of the other Party's 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 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 another Parties' tests and/or inspection of any of its System Protection Facilities and other protective equipment, including power system stabilizers; (ii) review the settings of the other Parties' System Protection Facilities and other protective equipment; and (iii) review another Parties' maintenance records relative to the Interconnection Facilities, the System Protection Facilities and other protective equipment. Any 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 another 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 any 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 Interim 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 shall install Metering Equipment at the Point of Interconnection prior to any operation of the Generating Facility and shall own, operate, test and maintain such Metering Equipment. Power flows to and from the Generating Facility shall be measured at or, at Transmission Owner's option, compensated to, the Point of Interconnection. Transmission Owner shall provide metering quantities, in analog and/or digital form, to Interconnection Customer and Transmission Provider on a same-time basis using communication as provided in Article 8. 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 Transmission Owner's meters. Such check meters shall be for check purposes only and shall not be used for the measurement of power flows for purposes of this Interim 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 Owner or its designee. The installation, operation and maintenance thereof shall be performed entirely by Interconnection Customer in accordance with Good Utility Practice.

7.3 Standards. Transmission Owner shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards.

7.4 Testing of Metering Equipment. Transmission Owner shall inspect and test all Transmission Owner-owned Metering Equipment in accordance with Transmission Owner's meter testing policies. If requested to do so by Interconnection Customer, Transmission Owner shall, at Interconnection Customer's expense, inspect or test Metering Equipment more frequently than the periods set forth in the Transmission Owner's meter testing policies. Transmission Owner shall give reasonable notice of the time when any inspection or test shall take place, and Interconnection Customer 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 Transmission Owner's failure to maintain, then Transmission Owner 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 from the measurement made by the standard meter used in the test, Transmission Owner 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 last 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 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 Owner's Transmission System dispatcher or representative designated by Transmission Owner. 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 Owner 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 Owner. Any required maintenance of such communications equipment shall be performed by 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 the 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 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. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Transmission Owner.

Each Party will promptly advise the other Party if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by the other Party. 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 the other Parties all information that may reasonably be required by the other Parties to comply with Applicable Laws and Regulations and Applicable Reliability Standards.
- 9.2 Control Area Notification.** At least three months before Initial Synchronization Date, Interconnection Customer shall notify Transmission Provider and Transmission Owner in writing of the Control Area in which the Generating Facility will be located. If Interconnection Customer elects to locate the Generating Facility in a Control Area other than the Control Area 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 Interim GIA, and remote Control Area 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 Control Area.

- 9.3 Transmission Provider and Transmission Owner Obligations.** Transmission Provider and Transmission Owner shall cause the Transmission System and Transmission Owner's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this Interim GIA. Transmission Provider or Transmission Owner may provide operating instructions to Interconnection Customer consistent with this Interim GIA and Transmission Owner's operating protocols and procedures as they may change from time to time. Transmission Provider and Transmission Owner 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 Interim GIA. Interconnection Customer shall operate the Generating Facility and Interconnection Customer's Interconnection Facilities in accordance with all applicable requirements of the Control Area of which it is part, as such requirements are set forth in Appendix C, Interconnection Details, of this Interim 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 another Party provide copies of the requirements set forth in Appendix C, Interconnection Details, of this Interim 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 System.
- 9.6 Reactive Power.**
- 9.6.1 Power Factor Design Criteria.** Interconnection Customer shall design the Generating Facility to maintain a composite power delivery at continuous rated power output at the Point of Interconnection at a power factor within the range of 0.95 leading to 0.95 lagging, unless Transmission Provider or Transmission Owner has established different requirements that apply to all generators in the Control Area on a comparable basis. A wind generator plant shall maintain a power factor within the range of .95 leading to .95 lagging, measured at the Point of Interconnection as defined in this Interim GIA, if the Transmission Provider's Interconnection Study shows that such a requirement is necessary to ensure safety or reliability.
- 9.6.2 Voltage Schedules.** Once Interconnection Customer has synchronized the Generating Facility with the Transmission System, Transmission Provider and/or Transmission Owner 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). Transmission Owner's voltage schedules shall treat all sources of reactive power in the Control Area in an equitable and not unduly discriminatory manner. Transmission Owner 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 System. 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 the Transmission Owner.

9.6.2.1 Governors and Regulators. Whenever the Generating Facility is operated in parallel with the Transmission System 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 Owner'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 System or trip any generating unit comprising the Generating Facility for an under or over frequency condition in accordance with Good Utility Practice and Applicable Reliability Standards.

9.6.3 Payment for Reactive Power. Transmission Provider is required to pay Interconnection Customer for reactive power that Interconnection Customer provides or absorbs from the Generating Facility when Transmission Owner requests Interconnection Customer to operate its Generating Facility outside the range specified in Article 9.6.1. Payments shall be pursuant to Article 11.9 or such other agreement to which the Parties have otherwise agreed; provided however, to the extent the Tariff contains a provision providing for such compensation, that Tariff provision shall control.

9.7 Outages and Interruptions.

9.7.1 Outages.

9.7.1.1 Outage Authority and Coordination. Each Party may in accordance with Good Utility Practice in coordination with the other Party remove from service any of its respective Interconnection Facilities or Network 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 schedule such removal on a date and time mutually acceptable to all 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. Transmission Provider shall post scheduled outages of its transmission facilities on the OASIS. Interconnection Customer shall submit its planned maintenance schedules for the Generating Facility to Transmission Provider for a minimum of a rolling twenty-four month period. 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 Interconnection Customer for any additional direct costs that 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 Interconnection Customer would have incurred absent 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, Interconnection Customer had modified its schedule of maintenance activities.

9.7.1.3 Outage Restoration. If an outage on a Party's Interconnection Facilities or Network Upgrades adversely affects another 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 explaining the nature of the outage.

9.7.2 Interruption of Service. In addition to any reduction in Interconnection Service required pursuant to Article 4.2.2, if required by Good Utility Practice to do so, Transmission Provider and/or Transmission Owner may require Interconnection Customer to interrupt or reduce deliveries of electricity if such delivery of electricity could adversely affect Transmission Provider's and/or Transmission Owner'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 System;

9.7.2.3 When the interruption or reduction must be made under circumstances which do not allow for advance notice, Transmission Provider or Transmission Owner 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 or Transmission Owner shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration. Transmission Provider or Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the interruption or reduction during periods of least impact to Interconnection Customer and Transmission Owner; and

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 System 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 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 System Protection Facilities as a part of the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Owner shall install at

Interconnection Customer's expense any System Protection Facilities that may be required on Transmission Owner's Interconnection Facilities or the Transmission System as a result of the interconnection of the Generating Facility and the Interconnection Customer's Interconnection Facilities.

9.7.4.2 Each Party's protection facilities shall be designed and coordinated with other 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 Interconnection Customer's units.

9.7.4.5 Each Party will test, operate and maintain 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, each Party or its agent 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, each Party shall perform both calibration and functional trip tests of its System Protection Facilities. These tests do not require the tripping of any in-service generation 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 System 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 System. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Generating Facility and the Transmission System 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 System could adversely affect the Generating Facility.

- 9.7.6 Power Quality.** No 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, or any applicable superseding electric industry standard, ANSI Standard C84.1-1989, or the applicable superseding electric industry standard, shall control.
- 9.8 Switching and Tagging Rules.** Each Party shall provide the other Parties a copy of its switching and tagging rules that are applicable to the other Party's 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 Third 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 System and shall be used for no other purpose.
- 9.9.2 Third Party Users.** If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld, to allow one or more third parties to use 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 third 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 third party users based upon the pro rata use of the Interconnection Facilities by Transmission Owner, all third 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 FERC for resolution.
- 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 System and Transmission Owner's Interconnection Facilities in a safe and reliable manner and in accordance with this Interim GIA.
- 10.2 Interconnection Customer Obligations.** Interconnection Customer shall maintain the Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this Interim GIA.
- 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 others 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 third party and such third 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.

Article 11. Performance Obligation

- 11.1 Interconnection Customer Interconnection Facilities.** Interconnection Customer shall design, procure, construct, install, own and/or control Interconnection Customer's Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at its sole expense.
- 11.2 Reserved.**
- 11.3 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, Interconnection Facilities, Network

Upgrades and Distribution Upgrades, at the sole expense of the Interconnection Customer.

11.4 Network Upgrades and Distribution Upgrades. All Network Upgrades and Distribution Upgrades described in Appendix A shall be constructed in accordance with the process set forth in Section VI of Attachment O. Transmission Owner shall design, procure, construct, install, and own the Network Upgrades and Distribution Upgrades described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades that are associated with that Transmission Owner's system. The Distribution Upgrades and Network Upgrades described in Appendix A shall be solely funded by Interconnection Customer unless Transmission Owner elects to fund the capital for the Distribution Upgrades or Network Upgrades.

11.5 Transmission Credits.

11.5.1 Credits for Amounts Advanced for Network Upgrades. Interconnection Customer shall be entitled to credits in accordance with Attachment Z2 of the Tariff for any Network Upgrades including any tax gross-up or other tax-related payments associated with Network Upgrades, and not refunded to Interconnection Customer pursuant to Article 5.17.8.

11.5.2 Special Provisions for Affected Systems. Unless Transmission Provider provides, under the Interim GIA, for the repayment of amounts advanced to Affected System Operator for Network Upgrades, Interconnection Customer and Affected System Operator shall enter into an agreement that provides for such repayment. The agreement shall specify the terms governing payments to be made by Interconnection Customer to the Affected System Operator as well as the repayment by the Affected System Operator.

11.5.3 Notwithstanding any other provision of this Interim 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 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 transmission credits for transmission service that is not associated with the Generating Facility.

11.6 Initial Payment.

Interconnection Customer shall make an initial payment ("Initial Payment") equal to the greater of a) twenty (20) percent of the total cost of Network Upgrades, Shared Network Upgrades, Transmission Owner Interconnection Facilities and/or Distribution Upgrades listed in Appendix A or b) \$4,000/MW of the size of the Generating Facility. Any remaining milestone deposits provided in Section 8.2 and Section 8.9 of the GIP will be applied to this requirement. The Initial Payment shall be provided to Transmission Owner or Transmission Provider as required in Appendix B by Interconnection Customer

pursuant to this Article 11.6 within the later of a) thirty (30) days of the execution of the GIA by all Parties, or b) thirty (30) days of acceptance by FERC if the GIA is filed unexecuted and the payment is being protested by Interconnection Customer, or c) thirty (30) days of the filing if the GIA is filed unexecuted and the Initial Payment is not being protested by Interconnection Customer. If this GIA is terminated, then the Initial Payment shall be refunded with accrued interest, if any, to the Interconnection Customer less:

- a. any costs that have been incurred for the construction of the facilities specified in Appendix A;
- b. any funds that have been committed for the construction of those Shared Network Upgrades, or Network Upgrades, assigned to another interconnection customer where such upgrade costs would not have been assigned but for the termination of the GIA; or
- c. any costs that has been incurred for the construction of those Shared Network Upgrades, or Network Upgrades, that were paid for by another interconnection customer that are now unnecessary due to the termination of the GIA.

11.7 Provision of Security.

11.7.1 Initial Security. Payments for any upgrades installed by the Transmission Owner will be addressed in accordance with Article 11.8 of this Interim GIA. Within fifteen (15) Business Days of the date that Interconnection Customer delivers to Transmission Provider an executed Interim GIA, Interconnection Customer shall provide Transmission Provider, at Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Transmission Provider and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 14.2.1 in the amount set forth in Appendix A to this Interim GIA. This amount represents either (a) the sum of the estimated costs for which Interconnection Customer will be responsible for the construction, procurement, and installation of the applicable portion of Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades for which it will share cost responsibility as determined in the study designated in Appendix A.4. and 100 percent of the costs of Interconnection Facilities, Network Upgrades, or Distribution Upgrades for which Interconnection Customer has sole cost responsibility less the amounts required by Transmission Owner for Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades funded through Article 11.8 or (b) if the estimated costs above have not been established at the time Interconnection Customer requests Interim Interconnection Service, the initial security amount will be established by the Transmission Provider based on one or more completed studies for comparable interconnection requests less the amounts required by Transmission Owner for Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades funded through Article 11.8.

11.7.2 Security Adjustment. In the event that the results of any subsequently posted study (e.g., Definitive Interconnection System Impact Study, Interconnection Facilities Study, or any other study required pursuant to the GIP in connection with Interconnection Service under this Interim GIA) indicates that Interconnection Customer's cost responsibility for Interconnection Facilities, Network Upgrades, or Distribution Upgrades required to interconnect its Generating Facility is less than or greater than the amount set forth in Appendix A, the amount of security required under this Interim GIA shall be adjusted to reflect the Interconnection Customer's revised amount of cost responsibility determined in such posted study less the amounts required by Transmission Owner for Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades funded through Article 11.8. Transmission Provider shall notify Interconnection Customer of the revised security amount when it posts the study. If the security amount increases, Interconnection Customer shall provide the additional amount of security within fifteen (15) Business Days of receipt of such notification. If the security amount decreases, Transmission Provider and Interconnection Customer shall take the appropriate action to reduce the amount of security held by Transmission Provider within fifteen (15) Business Days of Interconnection Customer's receipt of such notification. If Interconnection Customer fails to provide additional security as prescribed in this Article 11.5.2, this Interim GIA will be terminated in accordance with Article 2.3. In addition:

11.7.2.1 The guarantee must be made by an entity that meets the creditworthiness requirements of Transmission Provider, 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.

11.7.2.2 The letter of credit must be issued by a financial institution reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.7.2.3 The surety bond must be issued by an insurer reasonably acceptable to Transmission Provider and must specify a reasonable expiration date.

11.8 Advance Payment.

11.8.1 For Transmission Owner's Interconnection Facilities, Network Upgrades and Distribution Upgrades constructed by Transmission Owner under this Interim GIA, Interconnection Customer shall be required to pay Transmission Owner for all actual costs incurred by Transmission Owner for the procurement, installation, or construction of a discrete portion of a Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and shall pay Transmission Owner, in advance, for all work to be conducted by the Transmission Owner, under the terms and conditions set forth in this Interim

GIA. Such advance payments shall be considered estimated costs for project planning, management, design, engineering, land purchase, environmental investigations, procurement, construction, inspection and commissioning activities for which such advance payments are then due. The funds shall be deposited by Interconnection Customer according to the instructions on individual invoices from Transmission Owner, which shall be delivered by Transmission Owner to Interconnection Customer at least ten (10) Business Days prior to the date of such payment being due. Transmission Owner shall not provide any labor, equipment, materials, parts, travel, or incur incidental costs associated with tasks described above, or commence any other work until applicable advance payment(s) is/are received in full.

11.8.2 Interconnection Customer shall not be required to make any subsequent payment to the Transmission Owner in the event tasks relating to the prior payment have not been substantially completed.

11.8.3 Transmission Owner shall keep detailed records for actual costs incurred. Interconnection Customer shall be entitled, during normal business hours and at its own expense, to review such records and supporting documentation. If, during procurement, installation, or construction of a discrete portion of a Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, or upon close-out of any phase of such activities, costs by Transmission Owner are expected to exceed the sum of payments made by Interconnection Customer, Transmission Owner will inform Interconnection Customer of the additional expenses and provide a written revision to the estimate, together with an invoice for the amount due. Interconnection Customer shall then promptly pay Transmission Owner in full and without interest for the billed amount. If, upon completion of the procurement, installation, or construction of a discrete portion of Transmission Owner's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, costs incurred by Transmission Owner are less than the sum of payment(s) made to Transmission Owner by Interconnection Customer, Transmission Owner shall refund the difference, unless such payments are otherwise non-refundable pursuant to Section 11.6 (Initial Payment), without interest, as soon as the necessary vouchers may be prepared.

11.9 Interconnection Customer Compensation. If Transmission Provider or Transmission Owner requests or directs Interconnection Customer to provide a service pursuant to Articles 9.6.3 (Payment for Reactive Power), or 13.5.1 of this Interim GIA, Transmission Provider shall compensate Interconnection Customer in accordance with Interconnection Customer's applicable rate schedule then in effect unless the provision of such service(s) is subject to the Tariff. Interconnection Customer shall serve Transmission Provider with any filing of a proposed rate schedule at the time of such filing with FERC. To the extent that no rate schedule is in effect at the time the Interconnection Customer is required to provide or absorb any Reactive Power under this Interim GIA, Transmission Provider agrees to compensate Interconnection Customer in such amount as would have been due Interconnection Customer had the rate schedule been in effect at the time

service commenced; provided, however, that such rate schedule must be filed at FERC or other appropriate Governmental Authority within sixty (60) Calendar Days of the commencement of service.

11.9.1 Interconnection Customer Compensation for Actions During Emergency Condition. Transmission Provider shall compensate Interconnection Customer for its provision of real and reactive power and other Emergency Condition services that Interconnection Customer provides to support the Transmission System during an Emergency Condition in accordance with Article 11.9.

Article 12. Invoice

The terms of this Article 12 apply to billing between the Parties for construction and operation and maintenance charges. All other billing will be handled according to the Tariff.

12.1 General. Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due 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 Interim 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 Interconnection Facilities and the Network Upgrades to be constructed pursuant to this Interim GIA, the Interconnection Customer shall receive an invoice of the final cost due under this Interim GIA, including any applicable cost due to termination, which 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. Interconnection Customer shall receive a refund of 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 either Party will not constitute a waiver of any rights or claims either Party may have under this Interim GIA.

12.4 Disputes. In the event of a billing dispute between the Parties, Transmission Owner, and Transmission Provider shall continue to provide Interconnection Service under this Interim GIA as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to 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 Owner may 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 the other Party shall pay the amount due, with the Transmission Provider and Interconnection Customer to pay the amount due with the accrued interest, if any.

Article 13. Emergencies

13.1 Definition. “Emergency Condition” shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, 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, or the electric systems of others to which the Transmission Provider’s Transmission System is directly connected; or (3) that, in the case of 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, Transmission Owner’s Interconnection Facilities; or (4) 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 black start shall be considered Emergency Conditions; provided, that Interconnection Customer is not obligated by the Interim Generator Interconnection Agreement, to possess black start capability.

13.2 Obligations. Each Party shall comply with the Emergency Condition procedures of NERC, the Applicable Reliability Council, Transmission Provider, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.

13.3 Notice. Transmission Provider or Transmission Owner shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Owner’s Interconnection Facilities or the Transmission System that may reasonably be expected to affect Interconnection Customer’s operation of the Generating Facility or Interconnection Customer’s Interconnection Facilities.

Interconnection Customer shall notify Transmission Provider and Transmission Owner promptly when it becomes aware of an Emergency Condition that affects the Generating Facility or Interconnection Customer’s Interconnection Facilities that may reasonably be expected to affect the Transmission System or 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 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.

13.4 Immediate Action. Unless, in Interconnection Customer’s reasonable judgment, immediate action is required, Interconnection Customer shall obtain the consent of Transmission Owner, such consent to not be unreasonably withheld, prior to performing

any manual switching operations at the Generating Facility or Interconnection Customer's Interconnection Facilities in response to an Emergency Condition either declared by Transmission Provider or Transmission Owner or otherwise regarding the Transmission System.

13.5 Transmission Provider and Transmission Owner Authority.

13.5.1 General. Transmission Provider and/or Transmission Owner may take whatever actions or inactions with regard to the Transmission System or 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 Transmission Owner's Interconnection Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

Transmission Provider and Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Generating Facility or Interconnection Customer's Interconnection Facilities. Transmission Provider and/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 13.5.2; directing Interconnection Customer to assist with black start (if available) or restoration efforts; or altering the outage schedules of the Generating Facility and Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of Transmission Provider's and 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.

13.5.2 Reduction and Disconnection. Transmission Provider and/or Transmission Owner may reduce Interconnection Service or disconnect the Generating Facility or 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, reduction, or disconnection of Transmission Provider pursuant to Transmission Provider's Tariff or Articles 2.5, 4.2.2 and 9.7.2. When Transmission Provider and/or Transmission Owner can schedule the reduction or disconnection in advance, Transmission Provider and/or Transmission Owner shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider and/or Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Interconnection Customer, Transmission Provider and/or Transmission Owner. 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.

- 13.6 Interconnection Customer Authority.** Consistent with Good Utility Practice and this Interim GIA and the GIP, Interconnection Customer may take actions or inactions with regard to the Generating Facility or 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 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 Transmission Owner's Interconnection Facilities. Transmission Provider and/or Transmission Owner shall use Reasonable Efforts to assist Interconnection Customer in such actions.
- 13.7 Limited Liability.** Except as otherwise provided in Article 11.9.1 of this Interim GIA, no Party shall be liable to the other Parties 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.

Article 14. Regulatory Requirements and Governing Law

- 14.1 Regulatory Requirements.** Each Party's obligations under this Interim 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 use its Reasonable Efforts to obtain such other approvals. Nothing in this Interim 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, or the Public Utility Regulatory Policies Act of 1978, as amended by the 2005 Energy Policy Act.

14.2 Governing Law.

- 14.2.1** The validity, interpretation and performance of this Interim GIA and each of its provisions shall be governed by Federal law or by the laws of the state where the Point of Interconnection is located, as applicable.
- 14.2.2** This Interim 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 Interim GIA, any notice, demand or request

required or permitted to be given by any Party to another and any instrument required or permitted to be tendered or delivered by any Party in writing to another 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.

Any Party may change the notice information in this Interim 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 another and not required by this Agreement 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 No Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 4), 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 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 due diligence 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 Interim GIA or the result of an act or omission of another Party. Upon a Breach, the non-breaching Party shall give written notice of such Breach to the breaching Party. Except as provided in Article 17.1.2, the breaching Party shall have thirty (30) Calendar Days from receipt of the Default 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 Default 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 shall have the right to declare a Default and terminate this Interim GIA by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Interim GIA, to recover from the breaching Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this Interim GIA.

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Parties harmless from, 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 Parties' action or inactions of its obligations under this Interim GIA on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party. Notwithstanding the provisions of Article 18, the liability of the Transmission Owner shall be limited to and determined in accordance with the Federal Tort Claims Act, 28. U.S.C. § 1346(c), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.

18.1.1 Indemnified Person. If an indemnified person is entitled to indemnification under this Article 18 as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 18.1, to assume the defense of such claim, such indemnified person 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.

18.1.2 Indemnifying Party. If an indemnifying Party is obligated to indemnify and hold any indemnified person harmless under this Article 18, the amount owing to the indemnified person shall be the amount of such indemnified person's actual Loss, net of any insurance or other recovery.

18.1.3 Indemnity Procedures. Promptly after receipt by an indemnified person 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 18.1 may apply, the indemnified person 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 person. If the defendants in any such action include one or more indemnified persons and the indemnifying Party and if the indemnified person reasonably concludes that there may be legal defenses available to it and/or other indemnified persons which are different from or additional to those available to the indemnifying Party, the indemnified person 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 person or indemnified persons having such differing or additional legal defenses.

The indemnified person 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 person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the indemnified person, or there exists a conflict or adversity of interest between the indemnified person and the indemnifying Party, in such event the indemnifying Party shall pay the reasonable expenses of the indemnified person, 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 person, which shall not be reasonably withheld, conditioned or delayed.

18.2 Consequential Damages. In no event shall any Party be liable to any other Party under any provision of this Interim 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 any Party may be liable to another Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Interconnection Customer Insurance. Interconnection Customer shall at its own expense, maintain in force throughout the period of this Interim GIA, and until released by all other Parties, the following minimum insurance coverages, with insurers

authorized to do business in the state where the Point of Interconnection is located:

- 18.3.1** 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. The minimum limits for the Employers' Liability insurance shall be One Million Dollars (\$1,000,000) each accident bodily injury by accident, One Million Dollars (\$1,000,000) each employee bodily injury by disease, and One Million Dollars (\$1,000,000) policy limit bodily injury by disease.
- 18.3.2** 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 (if applicable), independent contractors coverage, coverage for pollution (if exposure is present) and punitive or exemplary damages, with minimum limits of One Million Dollars (\$1,000,000) each occurrence/Two Million Dollars (\$2,000,000) general aggregate and Two Million Dollars (\$2,000,000) products and completed operations aggregate combined single limit for personal injury, bodily injury, including death and property damage.
- 18.3.3** Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage.
- 18.3.4** Excess Liability Insurance over and above the Employers' Liability Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) each occurrence/Twenty Million Dollars (\$20,000,000) general aggregate.
- 18.3.5** The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other Party, its parent, 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 Interim GIA against the Other Party Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.
- 18.3.6** The Commercial General Liability Insurance, 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.

18.3.7 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 Interim GIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed to by all Parties.

18.3.8 The requirements contained herein as to the types and limits of all insurance to be maintained by the Interconnection Customer are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this Agreement.

18.3.9 Within ten (10) days following execution of this Interim GIA, 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 shall provide certification of all insurance required in this Interim GIA, executed by each insurer or by an authorized representative of each insurer to the Other Party Group.

18.3.10 Notwithstanding the foregoing, Interconnection Customer may self-insure to meet the minimum insurance requirements of Articles 18.3.2 through 18.3.8 to the extent it maintains a self-insurance program; provided that, such Interconnection Customer's senior secured debt is rated at investment grade or better by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 18.3.2 through 18.3.8. For any period of time that an Interconnection Customer's senior secured debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, Interconnection Customer shall comply with the insurance requirements applicable to it under Articles 18.3.2 through 18.3.9. In the event that Interconnection Customer 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 18.3.9.

18.3.11 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 Interim GIA.

18.4 Transmission Owner Insurance. Transmission Owner is self-insured in accordance with its status as a Federal agency.

Article 19 Assignment.

19.1 Assignment. This Interim GIA may be assigned by any Party only with the written consent of the other Parties to any Affiliate of the assigning Party, or other third party,

with an acceptable credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Interim GIA. Interconnection Customer shall have the right to assign this Interim GIA, with the written consent of Transmission Provider and Transmission Owner, for collateral security purposes to aid in providing financing for the Generating Facility. 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 Transmission Provider and Transmission Owner of the date and particulars of any such exercise of assignment right(s), including providing the Transmission Provider with proof that it meets the requirements of Articles 11.7 and 18.3. Any assignment under this article not solely for collateral security purposes shall be conditioned on the simultaneous assignment of Interconnection Customer's Queue Position to assignee and assignee demonstrating the ability to enter into and fulfill the obligations of a final GIA. Any attempted assignment that violates this article is void and ineffective. Any assignment under this Interim 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. Consent to assignment will not be unreasonably withheld, conditioned or delayed.

Article 20. Severability

20.1 Severability. If any provision in this Interim 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 Interim GIA; provided that if Interconnection Customer (or any third party, but only if such third party is not acting at the direction of Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Negotiated Option (Article 5.1.3), 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, 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 any of the Parties to another prior to the execution of this Interim 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.

If requested by any Party, a Party shall provide in writing, the basis for asserting that the information referred to in this Article 22 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 Interim GIA, and for a period of three (3) years after the expiration or termination of this Interim GIA, except as otherwise provided in this Article 22, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

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 third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this Interim GIA; or (6) is required, in accordance with Article 22.1.7 of the Interim 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 Interim GIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other 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, consultants, or to parties who may be or 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 Interim 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 each Party discloses another other Party. The disclosure by any Party to another 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 Interim GIA or its regulatory requirements.

22.1.7 Order of Disclosure. If a court or a Governmental Authority or entity with the right, power, and apparent authority to do so requests or requires a Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of this Interim 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 Interim 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 other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.

22.1.9 Remedies. This section 22.1.9 shall not apply to the Transmission Owner. 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 other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this 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 C.F.R. Section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this Interim 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 C.F.R. Section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying another Party to this Interim GIA prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Parties to the Interim 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 C.F.R. Section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, if consistent with the applicable Federal and state laws, rules and regulations.

22.1.11 Subject to the exception in Article 22.1.10, any information that a Party claims is competitively sensitive, commercial or financial information under this Interim GIA ("Confidential Information") shall not be disclosed by another Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Interim GIA or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to an RTO or ISO or to a regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures

22.1.12 This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a Breach of this provision).

Article 23. Environmental Releases

- 23.1** Each Party shall notify the other Party, 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 the other 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 Party copies of any publicly available reports filed with any Governmental Authorities addressing such events.
- 23.2** Each Party shall remedy as soon as practicable all releases of Hazardous Substances brought to, or created at, real property it owns underlying the Generating Facility or Interconnection Facilities, and any such substances migrating from real property it owns at the Generating Facility site. The Party that caused the release shall bear the costs of the remedial action, which shall meet applicable Federal and state environmental standards at the time of the action. Such costs may include, but are not limited to, Federal and state supervision, remedial action plans, removal and remedial actions, and negotiation of voluntary and judicial agreements required to meet such environmental standards.
- 23.3** The Parties agree to comply fully with the substantive requirements of all applicable Federal, state and local environmental laws in the performance of their obligations hereunder, and to mitigate and abate adverse environmental impacts accordingly.

Article 24. Information Requirements

- 24.1 Information Acquisition.** Transmission Provider and 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.** The initial information submission by Transmission Provider shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Transmission System information necessary to allow Interconnection Customer to select equipment and meet any system protection and stability requirements, unless otherwise agreed to by the Parties. On a monthly basis Transmission Provider shall provide Interconnection Customer a status report on the construction and installation of Transmission Provider's Interconnection Facilities 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.

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 the other Parties are responsible under this Interim GIA; and (ii) carry out its obligations and responsibilities under this Interim 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 Interim GIA.

25.2 Reporting of Non-Force Majeure Events. Each 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 Interim 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 the Parties receiving such notification to allege a cause for anticipatory breach of this Interim GIA.

25.3 Audit Rights. Subject to the requirements of confidentiality under Article 22 of this Interim GIA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to another Party, to audit at its own expense that other Party's accounts and records pertaining to either Party's performance or either Party's satisfaction of obligations under this Interim GIA. Such audit rights shall include audits of the other Party's costs, calculation of invoiced amounts, Transmission Provider's efforts to allocate responsibility for the provision of reactive support to the Transmission System, Transmission Provider's efforts to allocate responsibility for interruption or reduction of generation on the Transmission System, 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 Interim 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 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 any Party's performance or satisfaction of all obligations under this Interim 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 other Party together with those records from the audit which support such determination.

Article 26. Subcontractors

26.1 General. Nothing in this Interim GIA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Interim GIA; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Interim GIA in providing such services and each Party shall remain primarily liable to the other Parties 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 Interim GIA. The hiring Party shall be fully responsible to the other Parties 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 Transmission Owner be liable for the actions or inactions of Interconnection Customer or its subcontractors with respect to obligations of Interconnection Customer under Article 5 of this Interim GIA. Any applicable obligation imposed by this Interim 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 Interim GIA or its performance, the Parties agree to resolve such dispute using 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 Federal law or 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 Interim 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 Interim GIA.

28.1.2 Authority. Such Party has the right, power and authority to enter into this

Interim GIA, to become a Party hereto and to perform its obligations hereunder. This Interim 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 Interim 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 Interim 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 Interim GIA, and it will provide to any Governmental Authority notice of any actions under this Interim GIA that are required by Applicable Laws and Regulations.

Article 29. Joint Operating Committee

29.1 Joint Operating Committee. At least six (6) months prior to the expected Initial Synchronization Date, Interconnection Customer, Transmission Owner and Transmission Provider shall each appoint one representative and one alternate to the Joint Operating Committee. Each Party shall notify the other Parties of its appointment in writing. Such appointments may be changed at any time by similar notice. The Joint Operating Committee shall meet as necessary, but not less than once each calendar year, to carry out the duties set forth herein. The Joint Operating Committee shall hold a meeting at the request of any Party, at a time and place agreed upon by the representatives. The Joint Operating Committee shall perform all of its duties consistent with the provisions of this Interim GIA. All Parties shall cooperate in providing to the Joint Operating Committee all information required in the performance of the Joint Operating Committee's duties. All decisions and agreements, if any, made by the Joint Operating Committee, shall be evidenced in writing. The duties of the Joint Operating Committee shall include the following:

29.1.1 Establish data requirements and operating record requirements.

29.1.2 Review the requirements, standards, and procedures for data acquisition equipment, protective equipment, and any other equipment or software.

29.1.3 Annually review the one (1) year forecast of maintenance and planned outage schedules of Transmission Owner's and Interconnection Customer's facilities at the Point of Interconnection.

29.1.4 Coordinate the scheduling of maintenance and planned outages on the

Interconnection Facilities, the Generating Facility and other facilities that impact the normal operation of the interconnection of the Generating Facility to the Transmission System.

29.1.5 Ensure that information is being provided by each Party regarding equipment availability.

29.1.6 Perform such other duties as may be conferred upon it by mutual agreement of the Parties.

Article 30. Miscellaneous

30.1 Binding Effect. This Interim 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.

30.2 Conflicts. In the event of a conflict between the body of this Interim GIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Interim GIA shall prevail and be deemed the final intent of the Parties.

30.3 Rules of Interpretation. This Interim 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 Interim 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 Interim 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 Interim GIA or such Appendix to this Interim 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 Interim 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 Interim GIA, including all Appendices and Schedules attached hereto, and also incorporating through reference Section 39.3 of the Tariff as if it were a part hereof, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this

Interim GIA. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, a Party's compliance with its obligations under this Interim GIA.

30.5 No Third Party Beneficiaries. This Interim 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 Interim GIA to insist, on any occasion, upon strict performance of any provision of this Interim 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 a Party of its rights with respect to this Interim 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 Interim GIA. Termination or Default of this Interim GIA for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this Interim GIA shall, if requested, be provided in writing.

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

30.8 Multiple Counterparts. This Interim GIA may be executed in three 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 Interim GIA by a written instrument duly executed by each of the Parties.

30.10 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Interim GIA by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Interim 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 Interim 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 Interim 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 by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Interim 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 Interim GIA shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership among the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.

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

SOUTHWEST POWER POOL, INC.

By: _____

Title: _____

Date: _____

[Insert name of Transmission Owner]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Appendix A to Interim GIA

Interconnection Facilities, Network Upgrades, Distribution Upgrades, Security, Type and Amount of Interconnection Service, Construction Option, and Higher Queued Project List

1. Interconnection Facilities: [include description, responsible party, and estimated costs]

A. Interconnection Customer's Interconnection Facilities

B. Transmission Owner Interconnection Facilities

2. Network Upgrades: [include description, responsible party, and estimated costs]

A. Stand Alone Network Upgrades

B. Network Upgrades For Which Interconnection Customer Is Solely Responsible

C. Network Upgrades For Which Interconnection Customer Shares Cost Responsibility

3. Distribution Upgrades: [include description, responsible party, and estimated costs]

4. Security, Credits and Taxes:

A. The amount of initial security to be provided by Interconnection Customer in accordance with Article 11.5.1 is \$_____. The required amount of security required pursuant to this Interim GIA may be adjusted pursuant to Article 11.5.2 of this Agreement.

B. The estimated portion of the Network Upgrades identified in Section 2 of this Appendix A that could be subject to the credits described in Article 11.4 of this Agreement is \$_____.

C. Interconnection Customer's estimated liability for reimbursement of Transmission Owner for taxes, interest and/or penalties under Article 5.17.3 of this Agreement is \$_____.

5. Type and Amount of Interim Interconnection Service:

The type of Interim Interconnection Service to be provided pursuant to this Interim GIA shall be [Energy Resource or Network Resource] Interim Interconnection Service in the amount of _____ MW.

6. Construction Option For Stand Alone Upgrades and Transmission Owner Interconnection Facilities:

The Parties have agreed to the construction options for the Stand Alone Network Upgrades and Transmission Owner Interconnection Facilities as specified below:

A. Stand Alone Network Upgrades:

[List the Stand Alone Network Upgrade and the construction option]

B. Transmission Owner Interconnection Facilities:

[List the Transmission Owner Interconnection Facility and the option]

7. Higher Queued Projects:

[list Higher Queued Projects]

8. Permits, Licenses and Authorizations:

9. Penalty, Redispatch or Market-Related Costs:

10. One-Line Diagram:

11. Environmental Requirements

This Interim GIA is subject to completion of the appropriate National Environmental Policy Act (NEPA) level of Environmental Review. **Until a NEPA decision document is issued, no construction activities relating to Transmission Owner's Interconnection Facilities and/or Network Upgrades may commence.**

(a) [Insert Environmental Requirements for an Environmental Impact Statement (EIS) level of Environmental Review]

(b) [Insert Environmental Requirements for an Environmental Assessment (EA) level of Environmental Review]

Appendix B to Interim GIA

Milestones

Appendix C to Interim GIA

Interconnection Details

This Appendix C is an integral part of this Interim GIA.

1. Description of Generating Facility:

2. Description of Point of Change of Ownership:

3. Description of Point of Interconnection:

4. Interconnection Guidelines:

The unique requirements of each generation interconnection will dictate the establishment of mutually agreeable Interconnection Guidelines that further define the requirements of this Agreement. The Interconnection Guidelines will address, but not be limited to, the following:

Appendix D to Interim GIA

Infrastructure and Operational Security Arrangements

Infrastructure security of Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day Transmission System reliability and operational security. FERC will expect all Transmission Providers, market participants, and Interconnection Customers interconnected to the Transmission System to comply with the recommendations offered by the National Infrastructure Advisory Council and, eventually, 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 Interim GIA

Commercial Operation Date

[Date]

_____, _____
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

[Transmission Owner Address]

Re: _____

Dear _____:

On **[Date]**, _____ has completed Trial Operation of referenced generation facility in the Interim Generator Interconnection Agreement dated _____. This letter confirms that _____ commenced Commercial Operation of the referenced generation facility, effective as of **[Date plus one day]**.

Thank you.

[Signature]

[Interconnection Customer Representative]

Appendix F to Interim GIA

ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS

Notices:

Transmission Provider:

_____, _____
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be Supplied]

Interconnection Customer:

[To be Supplied]

Billings and Payments: [Specify addresses for construction invoices, O&M invoices and settlement of ancillary services]

Transmission Provider:

_____, _____
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Transmission Owner:

[To be Supplied]

Interconnection Customer:

[To be Supplied]

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

Transmission Provider:

_____, _____
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Phone: _____
Facsimile: 501-482-2022

Transmission Owner:

[TO BE SUPPLIED]

Interconnection Customer:

[TO BE SUPPLIED]

Operational Communications: [Identify contacts for operations]

Transmission Provider:

_____, _____
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936
Phone: _____
Facsimile: 501-482-2022

Transmission Owner:

[TO BE SUPPLIED]

Interconnection Customer:

[TO BE SUPPLIED]

Appendix G to Interim GIA

REQUIREMENTS OF GENERATORS RELYING ON NEWER TECHNOLOGIES

Appendix G sets forth requirements and provisions specific to a wind generating plant. All other requirements of this Interim 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. the 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 Transmission System 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 Transmission System 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 power factor within the range of 0.95 leading to 0.95 lagging, measured at the Point of Interconnection as defined in this Interim 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.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment W, Attachment W Index of Grandfathered Agreements, 4.0.0, A

Record Narrative Name: Attachment W Index of Grandfathered Agreements

Tariff Record ID: 403

Tariff Record Collation Value: 399569752 Tariff Record Parent Identifier: 0

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

ATTACHMENT W INDEX OF GRANDFATHERED AGREEMENTS

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
1	GRDA/KAMO Generation Participation	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Thro rollo ther
2	East Miami	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Thro rollo ther
5	Byng & Chickasaw Nation	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Thro rollo ther
6	City of Skiatook	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Thro rollo ther
7	345/KV Transmission Agreement	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Thro rollo ther
8	345/KV Transmission Agreement	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Thro rollo ther
10	WFEC/BANK	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Thro rollo ther
11	WFEC/BANK	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Thro rollo ther
12	City of Poplar Bluff	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Thro rollo ther
13	City of Paragould	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Thro rollo ther
14	CSWS/GRDA Network Load/Ramona	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Thro rollo ther
15	CSWS/GRDA Network Load/Pryor Others	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Thro rollo ther
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
16	AECI/GRDA Interconnect	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Thro rollo

	Agreement					ther
17	AECI/GRDA Interconnect Agreement	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Thro rollo ther
18	Agreement between Western Farmers Electric Cooperative and the Anadarko Public Works Authority, Anadarko, Oklahoma	Western Farmers Electric Cooperative	Anadarko, Oklahoma Public Works Authority		All requirements wholesale power supply agreement	Ag effec eithe notic at le July upon notic annu
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
21	Agreement between Western Farmers Electric Cooperative and the New Cordell Utility Authority, Cordell, Oklahoma	Western Farmers Electric Cooperative	New Cordell Utility Authority		All requirements wholesale power supply agreement	Ag effec eithe notic at le Aug ther writ annu
22	Interchange Agreement between Western Farmers Electric Cooperative and the City of Electra, Texas	Western Farmers Electric Cooperative	City of Electra, Texas		All requirements wholesale power supply agreement	Ag effec eithe notic at le May upon notic annu
23	Wholesale Power Contract with Member Cooperatives	Western Farmers Electric Cooperative	Western Farmers Electric Cooperative and its Member Co-ops		All requirements wholesale power supply agreement (currently approximately 800 MW)	Ag in et and term giving than notic term

24	Agreement between Western Farmers Electric Cooperative and the Mooreland Public Works Authority, Mooreland, Oklahoma	Western Farmers Electric Cooperative	Morland Public Works Authority		All requirements wholesale power supply agreement	Agreement effective either at least March 1st, 2014 or thereafter written agreement
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Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Term
26	Agreement between Western Farmers Electric Cooperative and the City of Watonga, Oklahoma	Western Farmers Electric Company	City of Watonga, Oklahoma		All requirements wholesale power supply agreement	Agreement effective either at least March 1st, 2014 or thereafter written agreement

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Term
27	Transmission Service Agreement between Southwestern Electric Power Company and City of Lafayette, Louisiana	Southwestern Electric Power Company	City of Lafayette, Louisiana		Firm TS	year
28	Transmission Service Agreement between KAMO Electric Cooperative, Inc. and Public Service Company of Oklahoma	Public Service Company of Oklahoma	KAMO Electric Cooperative, Inc.		Firm TS	year
29	Contract for Electric Service between Public Service Company of Oklahoma and South Coffeyville Public Works Authority	Public Service Company of Oklahoma	City of S. Coffeyville, Oklahoma		Full RQ	year
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Term

38	Contract for Electric Service Contract No. 3950003	Public Service Company of Oklahoma	Northeast Oklahoma Electric Cooperative, Inc.		Full RQ	
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Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
39	Amended Agreement for Interchange of Electric Power and Energy between Grand River Dam Authority and Public Service Company of Oklahoma	Public Service Company of Oklahoma	Grand River Dam Authority		Firm TS	until
40	Amended Agreement for Interchange of Electric Power and Energy between Grand River Dam Authority and Public Service Company of Oklahoma	Grand River Dam Authority	Public Service Company of Oklahoma		n/a	until

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
46	Power Supply Agreement between Southwestern Electric Power Co. and Rayburn Country Electric Cooperative	Southwestern Electric Power Company	Rayburn Country		Full RQ	year

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
56	ELECTRICAL CAPACITY, ENERGY, AND SERVICE SALES AGREEMENT BETWEEN CITIES OF NIXA AND SPRINGFIELD, MISSOURI	City Utilities of Springfield, MO	Nixa, MO		Point To Point	On
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te

57	AMENDED INTERCHANGE AGREEMENT BY AND AMONG ASSOCIATED ELECTRIC COOPERATIVE, INC., THE EMPIRE DISTRICT ELECTRIC COMPANY, GRAND RIVER DAM AUTHORITY, SOUTHWESTERN ELECTRIC POWER COMPANY, AND BOARD OF PUBLIC UTILITIES OF SPRINGFIELD, MISSOURI FOR THE GRDA COAL PLANT - FLINT CREEK POWER PLANT – BROOKLINE – MORGAN 345 KILOVOLT INTERCONNECTION				Point To Point	On-y
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
58	UNITED STATES DEPARTMENT OF ENERGY SOUTHWESTERN POWER ADMINISTRATION POWER SALES CONTRACT between UNITED STATES OF AMERICA and BOARD OF PUBLIC UTILITIES OF THE CITY OF SPRINGFIELD, MISSOURI	City Utilities of Springfield, MO	Southwestern Power Administration		Point To Point	(W On-y
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
62	Transmission Service Contract	Ponca City Utility Authority	Oklahoma Municipal Power Authority		Ponca City Utility Authority agrees to receive power energy not to exceed the Interconnection Capacity.	M eithe 31, 2 31st writt part

63	SPA Transmission Service Contract	Southwestern Power Administration	Oklahoma Municipal Power Authority			El the c give othe
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
68	WTU Transmission Service Agreement	West Texas Utilities	Oklahoma Municipal Power Authority		Transmission for the unit capacity entitlement in Oklaunion Unit No. 1 to the south terminal of the Oklaunion HVDC Tie.	Co Unit own retir
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
73	Hydro Peaking Power Purchase contract - Kaw Valley and EDE	Empire District Electric Company	Kaw Valley		Point To Point/NF	3 ye
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
78	Electric Interchange Agreement - Iatan	Kansas City Power and Light	Empire District Electric Company		Point To Point	year
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
83	Southwest Power Administration (SWPA) OATT	Oklahoma Gas and Electric Company	Southwestern Power Administration	FERC Electric Tariff, Second Revised Volume No.2- OATT NSA- SVC Agmnt, NOA- SVC Agmnt	OG&E OATT- Network SVC	Curr term
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
93	Federal	Southwestern Power Administration	Augusta, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
94	Federal	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
95	Federal	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
96	Federal	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	Non

97	Federal	Arkansas Electric Co-op	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
98	Federal	Arkansas Electric Co-op	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
99	Federal	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
100	SPA Pre-OATT Service	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	Thro roll-serv
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
101	SPA OATT NITSA	Southwestern Power Administration	Arkansas Electric Co-op		Pre-Order 888 Service With Redirect Rights Firm in nature	Thro roll-serv
102	Federal	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
103	Federal	Associated Electric	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
104	Federal	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
105	Federal	Associated Electric	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
106	SPA OATT NITSA	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	Thro roll-serv
107	SPA Pre-OATT Service	Southwestern Power Administration	Public Service Company of Oklahoma	SPA-214	Pre-Order 888 Service Firm in nature	Thro roll-serv
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te

108	SPA Pre-OATT Service	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	Thro be c Inter Serv Atta
109	Federal	Southwestern Power Administration	Public Service Company of Oklahoma		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
110	Federal	Southwestern Power Administration	Anthony, KS		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
111	Federal	Southwestern Power Administration	Beauregard		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
112	Federal	Southwestern Power Administration	Bentonville, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
113	Federal	Southwestern Power Administration	Brazos		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
115	Federal	Southwestern Power Administration	Carthage, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
116	SPA Pre-OATT Service	Southwestern Power Administration	Carthage, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Thro roll-serv
117	Federal	Carthage, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
118	SPA Pre-OATT Service	Southwestern Power Administration	Sikeston, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Th be c Inter Serv Atta
119	Federal	Southwestern Power Administration	Fulton, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non

120	Federal	Southwestern Power Administration	Claiborne		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
121	Federal	Southwestern Power Administration	Clarksville, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
122	SPA Pre-OATT Service	Southwestern Power Administration	Clarksville, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Thro roll- serv
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
123	Federal	Southwestern Power Administration	Coffeyville, KS		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
124	Federal	Southwestern Power Administration	Comanche, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
125	Federal	Southwestern Power Administration	Concordia		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
126	Federal	Southwestern Power Administration	Copan, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
127	Federal	Southwestern Power Administration	Dixie Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
128	Federal	Southwestern Power Administration	DOD - McAlester		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
129	Federal	Southwestern Power Administration	Duncan, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
130	Federal	Southwestern Power Administration	Eldorado, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non

131	Federal	Empire District Electric Company	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
132	Federal	Southwestern Power Administration	Empire District Electric Company		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
133	Federal	ES	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
134	SPA Pre-OATT Service	Southwestern Power Administration	ES		Pre-Order 888 Service With Redirect Rights Firm in nature	Th be c Inter Serv Atta
135	Federal	Southwestern Power Administration	Fort Sill, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
136	Federal	Southwestern Power Administration	Goltry, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
137	Federal	Southwestern Power Administration	Granite, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
138	Federal	Grand River Dam Authority	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
139	Federal	Southwestern Power Administration	Grand River Dam Authority		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
140	Federal	Grand River Dam Authority	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
141	Federal	Southwestern Power Administration	Grand River Dam Authority		Pre-Order 888 Service With Redirect Rights Firm in nature	Non

142	SPA Pre-OATT Service	Southwestern Power Administration	Grand River Dam Authority		Pre-Order 888 Service With Redirect Rights Firm in nature	Th be c Inter Serv Atta
143	SPA Pre-OATT Service	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	Thro com Inter Serv Atta
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
144	SPA Pre-OATT Service	Southwestern Power Administration	Associated Electric		Pre-Order 888 Service With Redirect Rights Firm in nature	Thro be c Inter Serv Atta
145	Federal	Southwestern Power Administration	Hermann, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
146	Federal	Southwestern Power Administration	Higginsville, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
147	Federal	Southwestern Power Administration	Hominy, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
149	Federal	Southwestern Power Administration	Jefferson Davis		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
150	Federal	Southwestern Power Administration	Jonesboro, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
151	Federal	Southwestern Power Administration	Jonesboro, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
152	Federal	Jonesboro, AR	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
153	Federal	Southwestern Power Administration	Kansas City, KS		Pre-Order 888 Service With Redirect Rights Firm in nature	Non

154	Federal	Southwestern Power Administration	Kaw Valley		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
155	Federal	Southwestern Power Administration	Kennett, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
156	Federal	Southwestern Power Administration	Kennett, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
157	Federal	Kennett, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
158	Federal	Southwestern Power Administration	Kennett, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
160	Federal	Southwestern Power Administration	KEPCO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
161	Federal	Southwestern Power Administration	KMEA		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
162	Federal	Southwestern Power Administration	Lafayette, LA		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
163	Federal	Southwestern Power Administration	Lamar, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
164	Federal	Southwestern Power Administration	Louisiana Energy and Power Authority		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
165	Federal	Southwestern Power Administration	Lexington, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non

166	Federal	Southwestern Power Administration	Malden, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
167	Federal	Southwestern Power Administration	Malden, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
168	Federal	Malden, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
169	Federal	Southwestern Power Administration	Malden, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
170	Federal	Malden, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
171	SPA Pre-OATT Service	Southwestern Power Administration	Malden, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Thro roll- serv
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
172	Federal	Southwestern Power Administration	Manitou, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
173	Federal	Southwestern Power Administration	Minden, LA		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
174	Federal	Southwestern Power Administration	Natchitoches, LA		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
175	Federal	Southwestern Power Administration	Nemaha-Marshall		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
176	Federal	Southwestern Power Administration	New Madrid, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
177	SPA Pre-OATT Service	Southwestern Power Administration	New Madrid, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Th roll- serv

178	Federal	Southwestern Power Administration	Nixa, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
179	SPA Pre-OATT Service	Southwestern Power Administration	Nixa, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Thro roll- serv
180	Federal	Southwestern Power Administration	Northeast Louisiana		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
181	Federal	Southwestern Power Administration	Northeast Texas Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
182	Federal	Southwestern Power Administration	Northeast Texas Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
183	Federal	Southwestern Power Administration	Northeast Texas Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
184	Federal	Northeast Texas Electric Cooperative	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
187	Federal	Southwestern Power Administration	Olustee, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
188	Federal	Southwestern Power Administration	Paragould, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
189	SPA Pre-OATT Service	Southwestern Power Administration	Paragould, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Thro roll- serv
190	Federal	Southwestern Power Administration	Paragould, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Non

191	Federal	Paragould, AR	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
192	Federal	Southwestern Power Administration	Paris, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
193	SPA Pre-OATT Service	Southwestern Power Administration	People's		Pre-Order 888 Service With Redirect Rights Firm in nature	Thro roll-c serv
194	SPA Pre-OATT Service	Southwestern Power Administration	People's		Pre-Order 888 Service With Redirect Rights Firm in nature	Thro roll-c serv
195	Federal	Southwestern Power Administration	Piggott, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
196	SPA Pre-OATT Service	Southwestern Power Administration	Piggott, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Thro roll-c serv
197	Federal	Southwestern Power Administration	Piggott, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
198	Federal	Piggott, AR	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
199	Federal	Southwestern Power Administration	Piggott, AR		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
200	Federal	Piggott, AR	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
201	Federal	Southwestern Power Administration	Pointe Coupee		Pre-Order 888 Service With Redirect Rights Firm in nature	Non

202	Federal	Southwestern Power Administration	Poplar Bluff, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
203	Federal	Southwestern Power Administration	Poplar Bluff, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
204	Federal	Poplar Bluff, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
205	SPA Pre-OATT Service	Southwestern Power Administration	Poplar Bluff, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Thro roll- serv
206	Federal	Southwestern Power Administration	Purcell, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
207	Federal	Southwestern Power Administration	Rayburn Country		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
208	Federal	Southwestern Power Administration	Ryan, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
209	Federal	Southwestern Power Administration	Sam Rayburn Dam EC		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
210	Federal	Southwestern Power Administration	Sam Rayburn MPA		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
211	Federal	Southwestern Power Administration	Sikeston, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
212	Federal	Southwestern Power Administration	Sikeston, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
213	Federal	Sikeston, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non

Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
214	SPA Pre-OATT Service	Southwestern Power Administration	Sikeston, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Thr be c Inter Serv Atta
215	Federal	Southwestern Power Administration	Skiatook, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
216	Federal	Southwestern Power Administration	South Louisiana		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
217	Federal	Southwestern Power Administration	Southwest Louisiana		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
218	Federal	Southwestern Power Administration	Spiro, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
219	Federal	Southwestern Power Administration	Springfield, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
220	Federal	Southwestern Power Administration	Springfield, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
221	Federal	Springfield, MO	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
223	Federal	Southwestern Power Administration	Tex-La of Texas		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
224	Federal	Southwestern Power Administration	Thayer, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
225	Federal	Southwestern Power Administration	Valley		Pre-Order 888 Service With Redirect Rights Firm in nature	Non

226	Federal	Southwestern Power Administration	Vance Air Force Base, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
227	Federal	Southwestern Power Administration	Walters, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
228	Federal	Southwestern Power Administration	WAPA		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
229	Federal	WAPA	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
230	Federal	Southwestern Power Administration	Washington-St Tammany		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
231	Federal	Southwestern Power Administration	West Plains, MO		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
232	Federal	Southwestern Power Administration	Wetumka, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
233	Federal	Southwestern Power Administration	Western Farmers Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
234	Federal	Western Farmers Electric Company	Southwestern Power Administration		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
235	Federal	Southwestern Power Administration	Western Farmers Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
236	SPA Pre-OATT Service	Southwestern Power Administration	Western Farmers Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	Thro roll- serv

237	SPA Pre-OATT Service	Southwestern Power Administration	Western Farmers Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	Thro roll-serv
238	Federal	Southwestern Power Administration	Western Farmers Electric Cooperative		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
239	Federal	Southwestern Power Administration	Yale, OK		Pre-Order 888 Service With Redirect Rights Firm in nature	Non
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
270	Electric Interconnection Agreement	Westar Energy	City of McPherson, Kansas	FERC rate schedule 127 dockets E-7893, ER78-196, ER78-626, ER80-527, ER83-616, ER92-379	Long-term firm service agreement	5/3 year notice
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
299	Agreement Respecting Certain Eastern Kansas Transmission Installations	Kansas Gas and Electric	Empire District Electric Company		Line lease agreement	3 yr
302	Lease Agreement	Kansas Gas and Electric	Kansas City Power and Light	FERC rate schedule KGE-160 dockets ER85-386	Line lease; Wolf Creek to LaCygne 345 kV	Year 2 yr
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
306	Border Customer Agreement	Westar Energy	BPU-Kansas City, KS		Service to border customers	
307	Electrical Interconnection Agreement	Westar Energy	BPU-Kansas City, KS	FERC rate schedule Western Resources-272 dockets ER94-125	Interconnection	4/26 year
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
310	Electric Interconnect Contract – Schedule M	Westar Energy	Kansas Gas and Electric	Supplement No. 15 to No. 93 ER83-527 with 32 subsequent dockets	Interconnection	2 yr

311	Jeffrey Energy Center Transmission Agreement	Westar Energy	Kansas Gas and Electric	254 dockets ER89-485, ER90-235, ER90-300, ER90-478, ER90-500, ER92-29, ER92-239, ER96-1728, ER96-1728	Interconnection	This the Jeffr Terr retir gen KGE sha Cen of a inter Ene the whic
312	Electric Interconnection Contract	Westar Energy	Kansas Gas and Electric	FERC rate schedule KGE-93, Western Resources-6	Interconnection Burton & Peabody	Yea 3 yr
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
313	Interconnection Agreement	Westar Energy	Kansas Gas and Electric	FERC rate schedule KGE-25, Western Resources-9	Interconnection	On-6 m
314	Transmission Service Agreement	Westar Energy	Midwest Energy, Inc	FERC rate schedule 265 dockets ER93-849, OA96-100	Long-term firm service agreement 60.5 MW @ POR, 60.0 MW @ POD	ext Tran exte prov Para No. or a
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
317	Electric Interconnection and Interchange Agreement	Westar Energy	Nebraska Public Power District	FERC rate schedule not assigned or filed	Interconnection has not been established	5/1/4 yr
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
319	Agreement for Sale of Power and Interconnected Operation	Kansas Gas and Electric	Oklahoma Gas and Electric Company	FERC rate schedule OGE-32, KGE-75	Interconnection	On-3 yr
320	Amended Electric Interconnection Contract	Westar Energy	Omaha Public Power District	FERC rate schedule Western Resources-277 OA97-314	Interconnection	Yea 3 yr
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
323	Agreement for Interchange of Power and Interconnected	Kansas Gas and Electric	Public Service Company of Oklahoma	FERC rate schedule PSO-161,	Interchange	On-3 yr

	Operation			KGE-97		
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
326	Jeffrey Energy Center Transmission Agreement	Westar Energy	UtiliCorp United, Inc.'s Missouri Public Service Division	256 dockets ER89-485, ER90-235, ER90-300, ER90-478, ER90-500, ER92-29, ER92-239, ER96-1728, ER96-1728	Interconnection	This the J Jeffr Term retir gene Utili own Jeffr upon all o inter Ene the c whic to 8 Jeffr reas Curr MW
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
327	Jeffrey Energy Center Transmission Agreement	Westar Energy	UtiliCorp United, Inc.'s WestPlains Division Central Telephone	dockets ER89-485, ER90-235, ER90-300, ER90-478, ER90-500, ER92-29, ER92-239, ER96-1728, ER96-1728	Interconnection	This the J Jeffr Term retir gene Utili own Jeffr upon all o inter Ene the c whic to 8 Jeffr reas Curr MW
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
328	Power Interchange Agreement	Kansas Gas and Electric	Utilicorp-MPS	FERC rate schedule MPS-19, KGE-106	Interchange	Yea 3 yr

329	Electric Interchange Agreement	Westar Energy	Utilicorp-MPS	FERC rate schedule MPS-18, Western Resources-84	Interchange	Year 36 m
331	Electric Interconnection Agreement	Kansas Gas and Electric	Utilicorp-WPD The Western Light & Telephone Co.	WPE-6, KGE-101	Interconnection	Year 3 yr
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
334	Transmission Service Agreement	Kansas City Power & Light	AECI	Firm TS Sch 89 ER94-1101-002	Point to Point	year
335	Transmission Service Agreement	Kansas City Power & Light	AECI	Firm TS Sch 89 ER94-1101-002	Point to Point	year
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
342	Municipal Participation Agreement	Kansas City Power & Light	Baldwin	85 - ER94-1101-002	Point To Point	year
343	Interchange Agreement (UE)	Kansas City Power & Light	AMRN	104 - ER94-1101-002	Point To Point	year
344	Municipal Participation Agreement	Kansas City Power & Light	Garnett	78 - ER94-1101-002	Point To Point	year
345	Municipal Participation Agreement	Kansas City Power & Light	Osawatomie	77 - ER94-1101-002	Point To Point	year
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
346	Municipal Participation Agreement	Kansas City Power & Light	Ottawa	90 - ER94-1101-002	Point To Point	year
347	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	108	Network	year
348	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	105	Network	year
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
353	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	108 - ER96-1225	Point To Point	year
356	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	77 - ER96-2218	Point To Point	year
357	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	78 - ER96-2099	Point To Point	year
358	Municipal Participation Agreement	Kansas City Power & Light	Ottawa	90 - ER94-1101-002	Point To Point	year
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te

359	Municipal Participation Agreement	Kansas City Power & Light	Osawatomie	77 - ER94-1101-002	Point To Point	year
360	Municipal Participation Agreement	Kansas City Power & Light	Higginsville	108 - ER94-1101-002	Point To Point	year
361	Municipal Participation Agreement	Kansas City Power & Light	Garnett	78 - ER94-1101-002	Point To Point	year
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
365	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 128 - ER00-1247-000	Point To Point	1/31 KCP
366	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 128 - ER00-1247-000	Point To Point	1/31 KCP
367	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 128 - ER00-1247-000	Point To Point	1/31 KCP
368	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 130 - ER00-1247-000	Point To Point	1/31 KCP
369	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 130 - ER00-1247-000	Point To Point	1/31 KCP
370	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 130 - ER00-1247-000	Point To Point	1/31 KCP
371	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 131 - ER00-1247-000	Point To Point	1/31 KCP
372	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 131 - ER00-1247-000	Point To Point	1/31 KCP
373	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 131 - ER00-1247-000	Point To Point	1/31 KCP
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
374	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 134 - ER00-1247-000	Point To Point	1/31 KCP
375	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 134 - ER00-1247-000	Point To Point	1/31 KCP
376	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 134 - ER00-1247-000	Point To Point	1/31 KCP

377	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 135 - ER00-1247-000	Point To Point	1/31 KCP
378	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 135 - ER00-1247-000	Point To Point	1/31 KCP
379	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 129 - ER00-1247-000	Point To Point	1/31 KCP
380	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 129 - ER00-1247-000	Point To Point	1/31 KCP
381	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 129 - ER00-1247-000	Point To Point	1/31 KCP
382	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 132 - ER00-1247-000	Point To Point	1/31 KCP
383	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 133 - ER00-1247-000	Point To Point	1/31 KCP
384	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 133 - ER00-1247-000	Point To Point	1/31 KCP
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
385	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 133 - ER00-1247-000	Point To Point	1/31 KCP
386	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 136 - ER00-1247-000	Point To Point	1/31 KCP
387	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 136 - ER00-1247-000	Point To Point	1/31 KCP
388	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 136 - ER00-1247-000	Point To Point	1/31 KCP
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te
389	Municipal Participation Agreement	Kansas City Power & Light	Kansas City Power & Light-PS	KCPL OATT Vol 3, Sup 93 - ER00-1247-000	Point To Point	12/3 KCP
391	Municipal Participation Agreement	Kansas City Power & Light	Board of Public Utilities - Kansas City Kansas	54 - ER94-1101-002	Point To Point	year
392	Electric Interchange Agreement	Kansas City Power & Light	Westar Energy	55 - ER94-1101-002	Point To Point	year
393	Missouri Interconnection	KCPL		111 - ER94-411		

394	MOKAN Interconnection	KCPL		110 - ER94-411		Term	
395	MPS Multiple Interconnection	KCPL	GMO	58 - ER91-682		year	
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te	
397	WC-LaCygne 345kV Line Lease	Westar	KCPL	Westar's KGE 160 - ER91-391		Con	
398	Facilities Use Agreement	Responsibility of GMO/KCPL		107 - ER91-41-000			
399	Cooper-Fairport-St. Joseph Interconnection (MINT)	KCPL		107 - ER91-41-000		year	
Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Te	
401	Sched PPA	Westar Energy	Midwest Energy	OASIS:272409-F ERC Rate Schedule 265, Docket Nos. ER93-849, OA96-100	Transmission Service Agreement	ext (Tra exte prov Para No. or a	
Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacit y (MW)
413	Agreement for Interchange of Power & Interconnected Operations Between UtiliCorp United Inc. d/b/a Missouri Public Service and Associated Electric Cooperative, Inc.	Both GMO(formerly UtiliCorp United Inc.) and Associated	Both GMO(formerly UtiliCorp United Inc.) and Associated	60	Long Term, Short Term and Emergency Transmission Service, various capacity and energy (power) services and Exchange Power Interconnections.	Four Years prior written notice	
414	Contract for Electric Service	GMO	City of Galt	55	Full Requirements	One year advance notice to terminate and two years advance to switch power suppliers	
415	Contract for Electric Service	GMO	Gilman City	56	Full Requirements	One year advance notice to terminate and two years advance to switch power suppliers	

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)
416	Contract for Electric Service	GMO	Liberal	54	Full Requirements	One year advance notice to terminate and two years advance to switch power suppliers	
417	Contract for Electric Service	GMO	Osceola	109	Full Requirements	One year advance notice to terminate and two years advance to switch power suppliers	
418	Contract for Electric Service	GMO	Rich Hill	58	Full Requirements	One year advance notice to terminate and two years advance to switch power suppliers	
Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)
421	Control Area Service	Associated Electric Cooperative, Inc.	UtiliCorp United Inc.		Firm Network	Evaluated annually by AECl, termination allowed upon 12 months written notice to UCU; UCU may terminate with 30 day written notice to AECl.	150
Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)
424	Electric Sales, Transmission and Service Contract between Centel Corporation and Kansas Electric Power Cooperative, Inc.	Centel Corporation	Kansas Electric Power Cooperative, Inc	71	Network	60 month advance written notice	
Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)
445	Cooper-Fairport: St. Joseph Interconnection (MINT)			107-ER91-4 1-000		Year to year, 48 mo notice	

Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)
457	Interconnection Agreement	Sunflower Electric Power Corporation	Midwest Energy, INC		Network	3 years prior written notice	
Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)
461	Interconnection Agreement	Sunflower Electric Power Corporation	Mid-Kansas			Assessed on a year-to-year basis up to May 31, 2009	100
Line No	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity (MW)
463	Interconnection Agreement	Sunflower Electric Power Corporation	Western Area Power Administration			September 30, 2024	October 221 November 207 December 236 January 228 February 236 March 264 April 255 May 232 June 180 July 285 August 247 September 240
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity
466	MINT Coordinating Agreement, Cooper-Fairport-St. Joseph Interconnection (MINT) Dated March 5, 1990 and associated agreements	MINT Participants-Responsibility of GMO/KCPL	MINT Participants	N/A	Point to Point Service Rights	Initial term 50 years, extended thereafter on year to year basis, 4 years notice to withdraw	See Trans Capacity in con

467	LES and Associated Electric Cooperative (AECI) Agreement dated October 31, 1996 as amended	LES & AECI	LES & AECI	N/A	Point to point firm reservations of Firm Capacity on MINT Line	Agreement automatically extends each year. One month notice.	50mw 70 mw
468	MINT Transmission Exchange Agreement dated February 15, 1990	LES & NPPD	LES & NPPD	N/A	Exchange of a portion of LES firm capacity rights on MINT Line to NPPD for Point to Point rights on NPPD transmission System	Agreement shall remain in force as long as LES is a participant in the MINT Project (See MINT). No notice provisions	See Trans Capac Excha Article
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capa
469	Power Supply and Wheeling Agreement dated January 1, 1999	LES	State of Nebraska	N/A	Point to Point Service- Fixed allocation requirements contract	Agreement will terminate either when State of Nebraska WAPA contract terminates or the date following one year notice whichever is first to occur	1.832
470	Power Supply and Wheeling Agreement dated January 1, 1999	LES	University of Nebraska-Lincoln	N/A	Point to Point Service-Fixed allocation requirements contract	Agreement will terminate either when UNL WAPA contract terminates or the date following one year notice whichever is first to occur.	19.53
471	Electric Interconnection and Interchange Agreement dated June 20, 1988 as amended	LES and OPPD	LES and OPPD	N/A	Interconnection and Interchange of Power and Energy Between Systems	Agreement extends to January 1 2040 and thereafter year to year with 5 years written notice	
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capa

472	Gerald Gentlemen Station Power Sales Contract	LES	NPPD	N/A	Transformation Capacity in the LES 345kv West Substation up to 50mw	Agreement expires when Gerald Gentleman removed from commercial operation	Up to
473	Interconnection Agreement dated May 1, 1977 as amended	LES and NPPD	LES and NPPD	N/A	Interconnection and Interchange of Power and Energy Between Systems pursuant to various Service Schedules to the Agreement	Agreement extends 30 years or until all Service Schedules have terminated whichever is last to occur. Thereafter continues with notice requirement of 4 years.	
474	LES OASIS Reservation	LES	LES	N/A	Point to Point Firm Drive In Service for WAPA Purchase Power Contracts to load	2021	59mw 75mw
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capa
475	LES OASIS Reservation	LES	LES	N/A	Point to Point Firm Drive in Service for Walter Scott Station to load	2036	105 m
476	LES OASIS Reservation	LES	LES	N/A	Point to Point Drive In Service for MBPP Laramie River Station to load	2021	190m
477	LES OASIS Reservation	LES	LES	N/A	Point to Point Drive In Service for Gerald Gentleman Station to load	2021	109 m

478	LES OASIS Reservation	LES	LES	N/A	Point to Point Drive In Service for Sheldon Station to load	2021	68mw
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Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
479	Electric Interconnection and Interchange Agreement [95-L22-60]	Nebraska Public Power District	MidAmerican Energy Company (IPS)		Transmission Interconnection	1/1/2010 and annual thereafter (4 yr Notice)
480	Transmission Operating Agmt. [06-L22-15]	Nebraska Public Power District	MidAmerican Energy Company (IPS)		Point to Point Service and Contract Rights	6/30/2009 or MEC participation in CNS or MINT Line (4 Yr Notice)
482	Electric Inteconnection and Interchange Agreement [96-L22-53]	Nebraska Public Power District	Omaha Public Power District		Point to Point Service, Transmission Interconnection and Service Per Parties Rate Schedules	1/1/2005 or contingent on OPPD participation in MINT line
483	Wind Facility Share Participation Agreement [04-L22-30]	Nebraska Public Power District	Omaha Public Power District		Point to Point Service OPPD responsible for Transmission at Wind Sub delivery point	10/27/2024 Subject to renewals
484	Interconnection Agreement [96-L22-50], Service Schedule 4	Nebraska Public Power District	City of Lincoln, Ne (LES)		Point to Point Service, Generator Outlet & Contract Delivery (WAPA Peaking)	5/1/2007 or decommission of NPPD's Cooper Nuclear Station
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
485	Interconnection Agreement [96-L22-50] Service Schedule 9	Nebraska Public Power District	City of Lincoln, Ne (LES)		Point to Point Service Contract Delivery, (WAPA Firm)	Through term of WAPA contracts
486	Interconnection Agreement [96-L22-50] Service Schedule 10	Nebraska Public Power District	City of Lincoln, Ne (LES)		Contract Rights Exchange for Service (MINT)	Through Term of MINT contract

487	MINT Rights Exchange Agreement [99-L22-13]	Nebraska Public Power District	City of Lincoln, Ne (LES)		Contract Rights Exchange for Service	Through Term of MINT contract
488	Interconnection Agreement [96-L22-50] Service Schedule 12	Nebraska Public Power District	City of Lincoln, Ne (LES)		Pre-OATT Point to Point service. Gentleman Station delivery	Agreement terminates with end of Gentleman Station Power Sales Agreement
489	Gerald Gentleman Station Participation Power Sales Agreement [96-L22-44]	Nebraska Public Power District	City of Lincoln, Ne (LES)		Point to Point Service Contract Rights, BTS Capacity Rights Exchange	Life of Plant
490	Bulk Transmission System Loss Factor Letter Agreement [99-L22-21]	Nebraska Public Power District	City of Lincoln, Ne (LES) / Basin Electric Power Cooperative		BTS Loss Compensation Calculation Procedure	In conjunction with Base Contracts
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
491	Amended and Restated Coordinating Agreement for the Cooper-Fairport-St. Joseph 345 kV Line (MINT) [98-L21-18]	Nebraska Public Power District	Associated Electric Cooperative, Inc./ Kansas City Power & Light/ St. Joseph Light & Power Company/ MidAmerican Energy Company/ Omaha Public Power District/ City of Lincoln, NE		Point to Point Service Interconnection Capacity and Transmission Service	3/4/2040
492	Transmission Line Terminal Facilities Agreement [99-L22-12]	Nebraska Public Power District	Omaha Public Power District/ City of Lincoln, NE (LES)/ MidAmerican Energy Company		Use of Cooper MINT Terminal Facilities for deliveries at contract rate	3/4/2040
493	Electric Interconnect & Interchange Agreement. [96-L22-110]	Nebraska Public Power District	SEC Corporation (Sunflower Electric)		Interconnection	5/1/2006 evergreen thereafter (4 Yr Notice)
494	Western Nebraska Joint Transmission Agreement [96-L22-83]	Nebraska Public Power District	Tri-State Generation and Transmission Association, Inc.		Network-type Transmission Service	1/1/1994 with annual extensions (5 Yr Notice)
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions

495	Agreement for Common Use of Switching Station and Transmission Facilities - Big Springs Tap [95-L21-612]	Nebraska Public Power District	Tri-State Generation and Transmission Association, Inc.		Transmission Capacity Allocation	November 30, 2007 (In process of amending to "Evergreen Term.")
496	Transmission Service Contract [99-L22-23]	Nebraska Public Power District	Basin Electric Power Cooperative		Point to Point Service Bulk Transmission Service - Contract Rate	12/31/2040
497	Agreement for Construction and Joint Use of Substation and Transmission Facilities [94-L21-502]	Nebraska Public Power District	Basin Electric /Rushmore Cooperative /Cherry-Todd Cooperative / LaCreek Electric Association		Network Transmission and SubT service for joint use facilities (Cody - Niobrara)	6/18/2015 or as long as facilities in use.
498	Agreement for Joint Use of Substation and Transmission Facilities [94-L21-383]	Nebraska Public Power District	Wheat Belt Public Power District		Joint Use of 115/34.5 Substation at Blue Creek	Year to Year, one year notice
499	Stegall DC Tie Loss Compensation Agreement [99-L22-24]	Nebraska Public Power District	Basin Electric Power Cooperative		Loss procedure of DC Tie interconnection	9/16/2011 subject to renewal
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
500	Loveland Area Projects for Firm Electric Service [96-L22-103]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Rocky Mountain Region)		NPPD Firm Electric Service from the Loveland Area Projects	9/30/2024
501	Interconnection and Transmission Agreement 87-LAO-200 [96-L22-100]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Rocky Mountain Region)		Point to Point Service Transmission Interconnection and Service	12/31/2019
502	Electric Power Service 93-BAO-667 [96-L22-60]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region)		Point to Point Service Transmission Interconnection and Service	12/31/2020

503	Contract For Control Area Regulation Service [00-L22-317]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region)		Control Area Regulation Service provided by WAPA to NPPD	Annual Term, but in no case extend beyond 2021(30 day termination, anytime)
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
504	Contract For Administrative Services [99-L22-64]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / City of Beatrice, Nebraska		NPPD provides control area scheduling service for Beatrice firm service from WAPA	12/31/2020 (termination by one year notice, anytime)
505	Contract For Bill Crediting Program Arrangements [01-L22-19]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Omaha Tribe of Nebraska / Nebraska Electric G & T Cooperative, Inc. / Burt County Public Power District		Provides Firm Electric Power Benefit to Omaha Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
506	Contract For Bill Crediting Program Arrangements [00-L22-305]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Santee Sioux Tribe of Nebraska / Nebraska Electric G & T Cooperative, Inc. / North Central Public Power District		Provides Firm Electric Power Benefit to Santee Sioux Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)

507	Contract For Bill Crediting Program Arrangements [01-L22-20]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Oglala Sioux Tribe of Nebraska		Provides Firm Electric Power Benefit to Oglala Sioux Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
508	Contract For Bill Crediting Program Arrangements [01-L22-21]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Winnebago Tribe of Nebraska / Nebraska Electric G & T Cooperative, Inc. / Burt County Public Power District		Provides Firm Electric Power Benefit to Winnebago Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)
509	Contract For Bill Crediting Program Arrangements [01-L22-22]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Winnebago Tribe of Nebraska		Provides Firm Electric Power Benefit to Winnebago Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
510	Contract For Bill Crediting Program Arrangements [01-L22-23]	Nebraska Public Power District	U.S. Department of Energy - Western Area Power Administration (Upper Great Plains Region) / Winnebago Tribe of Nebraska / Nebraska Electric G & T Cooperative, Inc. / Northeast Nebraska Public Power District		Provides Firm Electric Power Benefit to Winnebago Tribe utilizing existing delivery systems	Successive Annual Periods through 12/31/2020 (termination 90 days notice, anytime)

511	Transmission Service Agreement [06-L22-1]	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point Service Transmission Service	12/31/2015
512	Network Transmission Service Agrmt [06-L22-2]	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Network Firm Transmission Service	12/31/2015
513	Lincoln Delivery Agreement [03-L22-9]	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Bulk Transmission Service for share of Laramie River (sale from LES)	2/28/2026
514	Wind Facility Share Participation Agreement [04-L22-31]	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point Service MEAN responsible for Transmission at Wind Sub delivery point	10/27/2024 renewals possible
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
517	Electric Interconnection and Interchange Agreement [94-L22-10]	Nebraska Public Power District	City of Grand Island, Nebraska		Point to Point Service Transmission Interconnection Service	1/1/2005, yearly thereafter (4 Yr Notice)
518	230/115 Transformer Replacement Agreement [99-L22-83]	Nebraska Public Power District	City of Grand Island, Nebraska		Transmission Credit for Capital Improvement, T-2 specific	12/31/2020
519	Joint Reporting Agreement [02-L20-119]	Nebraska Public Power District	City of Grand Island, Nebraska		Joint Load & Capability Reporting to MRO	5/31/2004, yearly thereafter (6 months notice)
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
520	Wind Facility Share Participation Agreement [04-L22-45]	Nebraska Public Power District	City of Grand Island, Nebraska		Point to Point Service G.I. responsible for Transmission at Wind Sub delivery point	11/22/2024 renewals possible
521	Interconnection and Interchange Agreement [94-L22-11]	Nebraska Public Power District	City of Hastings, Nebraska		Point to Point Service Transmission Interconnection Service	3/31/2009, yearly thereafter (6 Mo. Notice)
522	Mutual Emergency Energy Agreement [04-L20-195]	Nebraska Public Power District	City of Hastings, Nebraska		Reciprocal interchange of emergency energy as needed	6/14/2009 (6 mo anytime notice)

523	Whelan Energy Center 2 Transmission Facilities Agreement [07-L22-130]	Nebraska Public Power District	Public Power Generating Agency / City of Hastings, NE		Transmission Credit for facility costs	Until all obligations fulfilled, including crediting obligations	
524	Mission - St. Francis - Valentine 115 KV Transmission Line Agreement [04-L21-14]	Nebraska Public Power District	Cherry-Todd Electric Cooperative / Nebraska Electric Generation and Transmission Cooperative, Inc.		Transmission Service	8/23/2012, and thereafter as long as line in service	
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	
525	Interconnection Agreement [03-L20-106]	Nebraska Public Power District	Cherry-Todd Electric Cooperative / Nebraska Electric Generation and Transmission Cooperative, Inc.		Transmission Interconnection and Service	Continues until terminated, (12 Mo. Notice).	
526	Participation and Cost Sharing Agreement (Springview Wind Facility) [04-L21-15]	Nebraska Public Power District	Auburn, NE/ Grand Island, NE/ KBR Rural Public Power District/ Lincoln, NE/ Municipal Energy Agency of NE		Transmission Service under T-2 Rate	5/7/2018 (participant termination 4 Yr. Notice)	
527	Facilities Modifications and Construction Agreement for Cooper South Flowgate Upgrades [06-L22-22]	Nebraska Public Power District	Aquila, Inc./ MidAmerican Energy Company/ Omaha Public Power District		Transmission Capacity Rights established.	Through completion of project and all final payments made	
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Cap (M
529	Kingsley Project Power Sales Agreement [95-L21-121 and 122]	Nebraska Public Power District	Central Nebraska Public Power and Irrigation District		NPPD purchase of Hydro output / Transmission Capacity Rights	Bonds Paid or Retirement of Plant, the later	

530	Loss Replacement Agreement [96-L22-64], (Part of Power Interference Agreement)	Nebraska Public Power District	Loup River Public Power District / Bureau of Reclamation / Western Area Power Administration		Point to Point Service Loss compensation to NPPD for delivery to Loup due to water diversion at North Loup Reclamation	On or Before Year 2020	1
531	Reservation 79207350 for NPPD's transmission rights under the MINT Line Agreement previously represented under reservation 809481 as Cooper Nuclear Station Unit Participation Agreement [03-L21-75]	Nebraska Public Power District	Nebraska Public Power District		Point to Point Service to AQN from CNS / Transmission Service	5/01/2040	5
533	Generator Interconnection Agreement [08-L22-98]	Nebraska Public Power District	Elkhorn Ridge Wind, LLC		Generator Interconnection Service on NPPD Transmission System	12 Month termination notice or contract terms	
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capa (MW)
534	Wholesale Power Contract	Nebraska Public Power District	Sutton 94-L22-71		Full Requirements Wholesale Power contract	Through 4-10-15; year to year thereafter; 5 yrs notice.	
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	
535	Wholesale Power Contract	Nebraska Public Power District	Snyder 94-L22-67		Full Requirements Wholesale Power contract	Through at least 5-31-12, but no longer than 5-31-16; one year notice.	
536	Wholesale Power Contract	Nebraska Public Power District	Hemingford 94-L22-48		Full Requirements Wholesale Power contract	Through 10-31-18; year to year thereafter; 5 yrs notice.	

537	Wholesale Power Contract	Nebraska Public Power District	Neligh 00-L22-10		Full Requirements Wholesale Power contract	Through 3-31-10, no rolling term; one year notice by Customer prior to terminate prior to 3-31-10. Will offer then-current WPC after 3-31-10.
538	Wholesale Power Contract	Nebraska Public Power District	Arapahoe 94-L22-26		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
539	Wholesale Power Contract	Nebraska Public Power District	Auburn 01-L22-11		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
540	Wholesale Power Contract	Nebraska Public Power District	Battle Creek 94-L22-27		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
541	Wholesale Power Contract	Nebraska Public Power District	Beatrice 94-L22-29		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
542	Wholesale Power Contract	Nebraska Public Power District	Bradshaw 94-L22-30		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
543	Wholesale Power Contract	Nebraska Public Power District	Brainard 94-L22-31		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
544	Wholesale Power Contract	Nebraska Public Power District	Central City 94-L22-32		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
545	Wholesale Power Contract	Nebraska Public Power District	Chester 94-L22-34		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
546	Wholesale Power Contract	Nebraska Public Power District	Cozad 94-L22-35		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
547	Wholesale Power Contract	Nebraska Public Power District	Davenport 94-L22-36		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
548	Wholesale Power Contract	Nebraska Public Power District	David City 94-L22-37		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.

549	Wholesale Power Contract	Nebraska Public Power District	Deshler 01-L22-9		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
550	Wholesale Power Contract	Nebraska Public Power District	DeWitt 94-L22-38		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
551	Wholesale Power Contract	Nebraska Public Power District	Dorchester 94-L22-39		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
552	Wholesale Power Contract	Nebraska Public Power District	Edgar 94-L22-40		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
553	Wholesale Power Contract	Nebraska Public Power District	Fairmont 94-L22-41		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
554	Wholesale Power Contract	Nebraska Public Power District	Friend 94-L22-42		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
555	Wholesale Power Contract	Nebraska Public Power District	Giltner 94-L22-44		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
556	Wholesale Power Contract	Nebraska Public Power District	Gothenburg 94-L22-45		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
557	Wholesale Power Contract	Nebraska Public Power District	Hampton 94-L22-46		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
558	Wholesale Power Contract	Nebraska Public Power District	Hebron 94-L22-47		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
559	Wholesale Power Contract	Nebraska Public Power District	Hildreth 94-L22-49		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
560	Wholesale Power Contract	Nebraska Public Power District	Holdrege 94-L22-50		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions

561	Wholesale Power Contract	Nebraska Public Power District	Lexington 94-L22-51		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
562	Wholesale Power Contract	Nebraska Public Power District	Lodgepole 94-L22-52		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
563	Wholesale Power Contract	Nebraska Public Power District	Lyons 94-L22-54		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
564	Wholesale Power Contract	Nebraska Public Power District	Madison 94-L22-55		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
565	Wholesale Power Contract	Nebraska Public Power District	Minden 94-L22-56		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
566	Wholesale Power Contract	Nebraska Public Power District	Nelson 94-L22-58		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
567	Wholesale Power Contract	Nebraska Public Power District	North Platte 94-L22-60		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
568	Wholesale Power Contract	Nebraska Public Power District	Ord 94-L22-61		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
569	Wholesale Power Contract	Nebraska Public Power District	Polk 94-L22-62		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
570	Wholesale Power Contract	Nebraska Public Power District	Prague 94-L22-63		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
571	Wholesale Power Contract	Nebraska Public Power District	Randolph 94-L22-64		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
572	Wholesale Power Contract	Nebraska Public Power District	Scribner 94-L22-65		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
573	Wholesale Power Contract	Nebraska Public Power District	Seward 94-L22-66		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.

574	Wholesale Power Contract	Nebraska Public Power District	South Sioux City 94-L22-68		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
575	Wholesale Power Contract	Nebraska Public Power District	Summerfield, KS 94-L22-69		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
576	Wholesale Power Contract	Nebraska Public Power District	Superior 94-L22-70		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
577	Wholesale Power Contract	Nebraska Public Power District	Valentine 94-L22-72		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
578	Wholesale Power Contract	Nebraska Public Power District	Wahoo 01-L22-14		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
579	Wholesale Power Contract	Nebraska Public Power District	Wakefield 94-L22-73		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
580	Wholesale Power Contract	Nebraska Public Power District	Walthill 94-L22-74		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
581	Wholesale Power Contract	Nebraska Public Power District	Wauneta 94-L22-75		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
582	Wholesale Power Contract	Nebraska Public Power District	Wayne 94-L22-76		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
583	Wholesale Power Contract	Nebraska Public Power District	Webber, KS 94-L22-77		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
584	Wholesale Power Contract	Nebraska Public Power District	Wilcox 94-L22-78		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
585	Wholesale Power Contract	Nebraska Public Power District	Wymore 94-L22-79		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
586	Wholesale Power Contract	Nebraska Public Power District	Nebraska Electric G&T 96-L22-52		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.

587	Wholesale Power Contract	Nebraska Public Power District	Norris PPD 94-L22-59		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
588	Wholesale Power Contract	Nebraska Public Power District	Southern PD 01-L22-25		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
589	Wholesale Power Contract	Nebraska Public Power District	Loup River PPD 05-L22-13		Full Requirements Wholesale Power contract	Through 12-31-21; year to year thereafter; 5 yrs notice.
591	Oasis Transaction	Nebraska Public Power District	Omaha Public Power District		Point to Point	1/1/2023
592	Oasis Transaction	Nebraska Public Power District	Omaha Public Power District		Point to Point	1/1/2023
593	Oasis Transaction	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point	1/1/2021
594	Oasis Transaction	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point	1/1/2017
595	Oasis Transaction	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point	12/31/2014
596	Oasis Transaction	Nebraska Public Power District	Municipal EnergyAgency of Nebraska (MEAN)		Point to Point	1/1/2015
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
597	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	1/1/2021
598	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	1/1/2021
599	Oasis Transaction	Nebraska Public Power District	Lincoln Electric System		Point to Point	1/1/2021
601	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	6/1/2029

602	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	6/1/2029
603	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	5/1/2029
604	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power Marketing		Point to Point	5/1/2029
605	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	1/1/2025
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
606	NPPD Professional Retail Operations Service Agreements and Service Area Agreements	Nebraska Public Power District	Nebraska Public Power District		Full Requirements Wholesale contract, Firm Network Service, Distribution Services	Various Termination Dates Ranging From 12-31-14 to 7-1-32 With Renewal Rights

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service
607	Service Agreement and OASIS Reservation	1587762	OPPD	Central MN Muni Pwr Assn		Point-to-Point
608	Service Agreement and OASIS Reservation	1587761	OPPD	Central MN Muni Pwr Assn		Point-to-Point
609	Service Agreement and OASIS Reservation	1589101	OPPD	Independence, MO		Point-to-Point
612	Service Agreement and OASIS Reservation	1585194	OPPD	Lincoln Electric System		Point-to-Point
613	Service Agreement and OASIS Reservation	1585195	OPPD	Lincoln Electric System		Point-to-Point
614	Service Agreement and OASIS Reservation	1585192	OPPD	Lincoln Electric System		Point-to-Point
615	Nebraska City Unit 2 Transmission Facilities Cost Agreement		OPPD	NPPD, Independence, MO, Central Minnesota Municipal Power Agency, Falls City, Grand Island, Missouri Joint Muni Electric Utility Commission, Nebraska City		Planning facilities arrangement
616	Service Agreement and OASIS Reservation	1588942	OPPD	Missouri Joint Municipal Electric Utility Commission		Point-to-Point
617	Electric Interconnection and Interchange Agreement	Plattsmouth, Verden, Nehawaka	OPPD	NPPD		Interconnection Point-to-Point

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	
618	Amended and Restated Coordinating Agreement (MINT) & OASIS		OPPD	Associated Electric, Kansas City Power & Light, Aquila, NPPD, OPPD, LES, MidAmerican Energy		Point-to-Point	
619	OASIS Reservation	1585185	OPPD	NPPD		Point-to-Point	
620	OASIS Reservation	1585186	OPPD	NPPD		Point-to-Point	
621	OASIS Reservation	1585627	OPPD	NPPD		Point-to-Point	
622	OASIS Reservation	1585630	OPPD	NPPD		Point-to-Point	
623	Service Agreement and OASIS Reservation	1585621	OPPD	NPPD		Point-to-Point	
624	Service Agreement and OASIS Reservation	1589750	OPPD	NPPD		Point-to-Point	
625	OASIS Reservation	1585595	OPPD	Falls City		Point-to-Point	
626	OASIS Reservation	1585604	OPPD	Nebraska City		Point-to-Point	
Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	Termination Provisions
638	OASIS Reservation	1585214	OPPD	OPPD		Point-to-Point	
639	OASIS Reservation	1585219	OPPD	OPPD		Point-to-Point	
640	OASIS Reservation	73224364	OPPD	OPPD		Point-to-Point	
641	OASIS Reservation	1584795	OPPD	OPPD		Point-to-Point	
642	OASIS Reservation	1584797	OPPD	OPPD		Point-to-Point	
643	OASIS Reservation	1585174	OPPD	OPPD		Point-to-Point	
644	OASIS Reservation	1585182	OPPD	OPPD		Point-to-Point	
645	OASIS Reservation	1585607	OPPD	OPPD		Point-to-Point	
646	OASIS Reservation	1585605	OPPD	OPPD		Point-to-Point	
647	OASIS Reservation	1585606	OPPD	OPPD		Point-to-Point	
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capacity

650	LES OASIS Reservation	LES	LES	N/A	Point to Point Firm Service	1/1/2030	5
652	LES OASIS Reservation Bloomfield Wind Turbines Purchase (LES_ELKHORN_WT)	LES	LES	N/A	Point to Point Firm Service	1/1/2029	6
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	Capa
654	LES OASIS Reservation	LES	LES	N/A	Point to Point Firm Service	1/1/2035	2
655	LES OASIS Reservation	LES	LES	N/A	Point to Point Firm Service	1/1/2035	2
656	Bulk Transmission System Loss Factor Agreement (NPPD and LES)	LES	LES	N/A	Return of BTS Losses from LES to NPPD according to BTS Loss Compensation Calculation Procedure	Term and Amount varies with LES & NPPD Transmission and Power Supply Contracts termination dates	1
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions	
657	Transmission Service Agreement Between Nebraska Public Power District and City of Deshler, Nebraska	Nebraska Public Power District	City of Deshler		Network Service	Co-Term with City's WAPA Allocation Contract	
658	Transmission Service Agreement Between Nebraska Public Power District and City of Emerson , Nebraska	Nebraska Public Power District	City of Emerson		Network Service	Co-Term with City's WAPA Allocation Contract	

659	Transmission Service Agreement Between Nebraska Public Power District and City of Laurel, Nebraska	Nebraska Public Power District	City of Laurel		Network Service	Co-Term with City's WAPA Allocation Contract
660	Transmission Service Agreement Between Nebraska Public Power District and City of Madison, Nebraska	Nebraska Public Power District	City of Madison		Network Service	Co-Term with City's WAPA Allocation Contract
661	Transmission Service Agreement Between Nebraska Public Power District and City of Mullen, Nebraska	Nebraska Public Power District	City of Mullen		Network Service	Co-Term with City's WAPA Allocation Contract
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
662	Transmission Service Agreement Between Nebraska Public Power District and City of Neligh, Nebraska	Nebraska Public Power District	City of Neligh		Network Service	Co-Term with City's WAPA Allocation Contract
663	Transmission Service Agreement Between Nebraska Public Power District and City of Randolph, Nebraska	Nebraska Public Power District	City of Randolph		Network Service	Co-Term with City's WAPA Allocation Contract
664	Transmission Service Agreement Between Nebraska Public Power District and City of Schuyler, Nebraska	Nebraska Public Power District	City of Schuyler		Network Service	Co-Term with City's WAPA Allocation Contract
665	Transmission Service Agreement Between Nebraska Public Power District and City of South Sioux City, Nebraska	Nebraska Public Power District	City of South Sioux City		Network Service	Co-Term with City's WAPA Allocation Contract
666	Transmission Service Agreement Between Nebraska Public Power District and City of Wahoo, Nebraska	Nebraska Public Power District	City of Wahoo		Network Service	Co-Term with City's WAPA Allocation Contract
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
667	Transmission Service Agreement Between Nebraska Public Power District and City of Wakefield, Nebraska	Nebraska Public Power District	City of Wakefield		Network Service	Co-Term with City's WAPA Allocation Contract

668	Transmission Service Agreement Between Nebraska Public Power District and City of Wilber, Nebraska	Nebraska Public Power District	City of Wilber		Network Service	Co-Term with City's WAPA Allocation Contract
669	Generator Interconnection Agreement Between Community Wind Energy Transmission, LLC and Nebraska Public Power District	Nebraska Public Power District	Community Wind Energy Transmission, LLC		Generator Interconnection	Until Terminated
670	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point	
671	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
672	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point	
673	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point	
674	HCPD Participation in WEC2 (NPPD.HCPD.WEC2 to WAUE.HCPD.NTWK)	Nebraska Public Power District	HCPD		80 MW NPPD Monthly Firm PTP	Through 12/31/2031 with rollover provisions thereafter
675	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	
676	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions

677	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	
678	Oasis Transaction	Nebraska Public Power District	Lincoln Electric System		Point to Point	
679	Oasis Transaction	Nebraska Public Power District	Omaha Public Power District		Point to Point	
680	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point	
681	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point	
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
682	Oasis Transaction	Nebraska Public Power District	GrandIsland		Point to Point	
683	Oasis Transaction	Omaha Public Power District	Nebraska Public Power District		Point to Point	
685	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point	
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
688	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	
690	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
693	Oasis Transaction	Nebraska Public Power District	Nebraska Public Power District		Point to Point	
694	Oasis Transaction	Nebraska Public Power District	Lincoln Electric System		Point to Point	
695	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point	
696	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point	
Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provisions
697	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point	
698	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point	
699	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point	
700	Oasis Transaction	Nebraska Public Power District	Lincoln Electric System		Point to Point	
701	Oasis Transaction	Nebraska Public Power District	Municipal Energy Agency of Nebraska (MEAN)		Point to Point	

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	
704	OASIS Reservation	1585179	OPPD	OPPD		Yearly Network	
705	OASIS Reservation	1585180	OPPD	OPPD		Yearly Network	

706	OASIS Reservation	1585225	OPPD	OPPD		Monthly Point-to-Point	
707	OASIS Reservation	1585243	OPPD	OPPD		Monthly Point-to-Point	
708	OASIS Reservation	1585244	OPPD	OPPD		Yearly Network	
709	OASIS Reservation	1585245	OPPD	OPPD		Yearly Network	
Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	1
712	OASIS Reservation	1585567	OPPD	OPPD/Nebraska City Utilities		Yearly Point-to-Point	
713	OASIS Reservation	1585574	OPPD	OPPD		Monthly Point-to-Point	
714	OASIS Reservation	1585576	OPPD	OPPD		Monthly Point-to-Point	
715	OASIS Reservation	1585579	OPPD	OPPD		Monthly Point-to-Point	
716	OASIS Reservation	1585588	OPPD	OPPD		Yearly Network	
718	OASIS Reservation	1588958	OPPD	OPPD		Monthly Point-to-Point	
719	OASIS Reservation	1588959	OPPD	OPPD		Monthly Point-to-Point	
Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service	1
722	OASIS Reservation	1589060	OPPD	OPPD		Monthly Point-to-Point	
725	Service Agreement and OASIS Reservation	1589102	OPPD	Independence, MO		Monthly Point-to-Point	
727	Service Agreement and OASIS Reservation	1589110	OPPD	Municipal Energy Agency of Nebraska		Monthly Point-to-Point	
728	OASIS Reservation	1594743	OPPD	OPPD		Monthly Point-to-Point	
729	OASIS Reservation	1594744	OPPD	OPPD		Monthly Point-to-Point	
730	OASIS Reservation	1594748	OPPD	OPPD		Monthly Point-to-Point	
732	OASIS Reservation	73224372	OPPD	OPPD/Falls City		Yearly Point-to-Point	

Line No.	Contract Title	OASIS #	Selling Party	Buying Party	FERC Schedule	Type of Service
733	Joint Operating Agreement	1256070	SPS/PSCo	PSCo/SPS	FERC Orders in Docket Nos. EC96-2, ER96-2572-000, EC99-101-000, ER04-1174-000 et al., and ER-08-313-000, et al.	Transmissi Service implement the Xce Energy Operatin Companie Joint Operatin Agreeme
734	Network Integration Transmission Service Agreement	1089911	SPS	Municipal Energy Agency of Nebraska	FERC orders in Docket Nos. ER04-1174-000 et al. and ER08-313-000, et al.	Network Integratio Transmiss Service

Line No.	Contract Title	Selling Party	Buying Party	FERC Sch.	Type of Service	Termination Provision
735	Generator Interconnection Agreement (GIA) Entered Into By Lea County Electric Cooperative, Inc. and LCEC Generation, LLC	Lea County Electric Cooperative, Inc.	LCEC Generation, LLC		Generator Interconnection	Until Termination

736	Generator Interconnection Agreement (GIA) Entered Into By Lea County Electric Cooperative, Inc. and Wild Cat Wind LLC	Lea County Electric Cooperative, Inc.	LCEC Generation, LLC		Generator Interconnection	Until Termination
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Line No.	Contract Title	Selling Party	Buying Party	FERC Rate Schedule No.	Type of Service	Termination
737	City of Coffeyville	Grand River Dam Authority	Grand River Dam Authority		Point To Point	Termination
738	WFEC/BANK	Western Farmers Electric Company	Western Farmers Electric Company		Point To Point	Termination
739	WFEC/BANK	Western Farmers Electric Company	Western Farmers Electric Company		Point To Point	Termination
740	Interchange Agreement (AmerenUE)	Kansas City Power & Light	AMRN	104, Supp. No. 5 to Sched. G	Point To Point	Year
741	Electric Service Contract with Montana-Dakota Utilities Co. (MDU)	WAPA	MDU		Transmission Service	
742	Contract for Electric Service to Minnkota Electric Power Cooperative (Minnkota)	WAPA	Minnkota		Transmission Service	
743	Interconnection and Common Use Agreement	Basin Electric Power Cooperative	Montana-Dakota Utilities, Inc.		Interconnection and Transmission Cost Sharing	

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Att. AE (MPL) 1.1 F, Attachment AE (MPL) Section 1.1 F, 2.0.0, A

Record Narrative Name: 1.1 Definitions F

Tariff Record ID: 1007
Tariff Record Collation Value: 548940000 Tariff Record Parent Identifier: 0
Proposed Date: 2015-10-01
Priority Order: 500
Record Change Type: CHANGE
Record Content Type: 1
Associated Filing Identifier:

1.1 Definitions F

Federal Service Exemption (“FSE”)

As defined in Section 1 of the Tariff.

Firm Point-To-Point Auction Revenue Right Nomination Cap

The maximum total amount of Firm Point-To-Point Candidate Auction Revenue Rights that an Eligible Entity may nominate in each month and season in the annual Auction Revenue Right allocation process and the monthly Auction Revenue Right allocation process.

Firm Point-To-Point Candidate Auction Revenue Right

All or portion of the Megawatt quantity of a confirmed Firm Point-To-Point Transmission Service reservation which the holder of the Transmission Service reservation can nominate for conversion into an Auction Revenue Right in the Auction Revenue Right allocation process.

Firm Point-To-Point Candidate Long-Term Congestion Right

The Megawatt quantity of a confirmed Firm Point-To-Point Transmission Service reservation with rollover rights that is used by the Transmission Provider to determine available rights which the holder of the Transmission Service reservation can select for conversion into a Long-Term Congestion Right in the Long-Term Congestion Right allocation process.

Firm Point-To-Point Transmission Service

As defined in Section 1 of the Tariff.

Floor-room

The reduction in committed capacity required below the average load for the hour due to the uncertainty of the real-time instantaneous load, hourly load forecast and Variable Energy Resource output.

FSE Schedule

A schedule entered by Western-UGP for administering the FSE.

FSE Transfer Point

A Settlement Location established by the Transmission Provider that represents the FSE energy ownership transfer from Western-UGP to a Market Participant external to the UMZ and internal to the SPP market. This interface is between the UMZ and the other Zones.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Att. AE (MPL) 2.2, Attachment AE (MPL) Section 2.2, 3.0.0, A

Record Narrative Name: 2.2 Application and Asset Registration

Tariff Record ID: 1024

Tariff Record Collation Value: 549008000 Tariff Record Parent Identifier: 1022

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

2.2 Application and Asset Registration

- (1) Applications for a Market Participant to provide services in the Integrated Marketplace must be submitted to the Transmission Provider prior to the expected date of participation consistent with Section 6.4 of the Market Protocols. Applications must conform to the procedures specified in the Market Protocols and may be rejected if not complete. New Market Participants will follow the timeframe as specified in Section 6.4 of the Market Protocols in addition to the detailed model update timing requirements in Appendix E of the Market Protocols.
- (2) As part of the application process, Market Participants must register all Resources and load, including applicable load associated with Grandfathered Agreements (“GFAs”), Non-Conforming Load and Demand Response Load with the Transmission Provider in accordance with the registration process specified in the Market Protocols. As part of Resource registration, Market Participants must specify whether settlement meter data will be submitted on a gross basis or net basis, where gross meter data does not include reductions for auxiliary load and

net meter data is gross meter data reduced by auxiliary load. Both Non-Conforming Load and Demand Response Load may only be associated with a single Price Node except that Non-Conforming Load and Demand Response Load may be associated with an aggregated Price Node that contains multiple electrically equivalent Price Nodes. Non-participating embedded load and/or generation must either: (i) register its load and/or generation in the Integrated Marketplace; or (ii) transfer its load and/or generation to an external Balancing Authority.

- (3) Market Participants may elect to define a single Settlement Location that aggregates multiple Meter Data Submittal Locations associated with their load assets. Market Participants may not aggregate multiple Resource Meter Data Submittal Locations into a single Resource Settlement Location unless the Resources are at the same physical and electrically equivalent injection point to the Transmission System.
- (4) In addition to the responsibilities described in Section 4.1.2 of this Attachment AE and under the Market Protocols, Market Participants wishing to model each participant's share of a Jointly Owned Unit as a separate Resource must choose one of the two options described below and provide the specified additional information. A Resource registered as a combined cycle Resource may not register as a Jointly Owned Unit.

- (a) Individual Resource Option

Under the individual Resource option, each participant's share is modeled as a separate Resource for the purposes of commitment and dispatch and each Resource may be committed independent of the other Resource shares. In order to qualify for this option, each Market Participant must register its share and certify that it is greater than or equal to the minimum physical capacity operating limit of the physical Jointly Owned Unit.

The operating owner's Meter Agent will be the Meter Agent for that Jointly Owned Unit unless each individual Jointly Owned Unit participant registers a Meter Agent for its share of the Resource.

Unless otherwise agreed to by the Jointly Owned Unit participants, the operating owner will be responsible for submitting the following data:

- Jointly Owned Unit maximum physical capacity operating limit;
- Jointly Owned Unit minimum physical capacity operating limit; and
- Maximum physical ten (10) minute response from an off-line state.

(b) Combined Resource Option

Under the combined Resource option each participant's share is modeled and must be registered as a separate Resource. Under this option, the commitment decision is made assuming that all Resource shares must be committed or none at all. Once committed, each share is dispatched independently. This option must be selected if the eligibility criteria stated under the individual Resource option cannot be met.

The operating owner's Meter Agent will be the Meter Agent for that Jointly Owned Unit unless each individual Jointly Owned Unit participant registers a Meter Agent for its share of the Resource.

Unless otherwise agreed to by the Jointly Owned Unit participants, the operating owner will be responsible for submitting the following data:

- Jointly Owned Unit maximum physical capacity operating limit;
- Jointly Owned Unit minimum physical capacity operating limit;
- Maximum physical ten (10) minute response from an off-line state; and
- Participant share percentage by Market Participant.

- (5) Market Participants may modify their registered assets in accordance with the asset registration procedures specified in the Market Protocols.
- (6) All loads and all Resources, excluding Behind-The-Meter Generation less than 10 Megawatts ("MWs"), must register. Failure or refusal to register a Resource will result in the Transmission Provider filing an unexecuted version of the service

agreement as specified in Attachment AH of this Tariff for that Resource with the Commission under the name of the generation interconnection customer under an interconnection agreement with the Transmission Provider or the applicable Transmission Owner. In the case of a Qualifying Facility exercising its rights under PURPA to deliver all of its net output to its host utility, such registration will not require the Qualifying Facility to participate in the Energy and Operating Reserve Markets or subject the Qualifying Facility to any charges or payments related to the Energy and Operating Reserve Markets. Any Energy and Operating Reserve Market charges or payments associated with the output of the Qualifying Facility will be allocated to the Market Participant representing the host utility purchasing the output of the Qualifying Facility under PURPA, and the Market Participant will be provided the settlement data required to verify the settlement charges and payments.

- (7) A Market Participant wishing to Offer an External Resource in the Energy and Operating Reserve Markets will utilize an External Resource Pseudo-Tie in accordance with Attachment AO. In addition to the responsibilities outlined in Attachment AO, the Market Participant registering the External Resource will be responsible for registering and performing all responsibilities that are required of Resources in the Energy and Operating Reserve Markets.
- (8) A Market Participant wishing to offer Demand Response Load as a Demand Response Resource in the Energy and Operating Reserve Markets must include in its application and registration a certification that participation in the Energy and Operating Reserve Markets by its Demand Response Resource is not precluded under the laws or regulations of the relevant electric retail regulatory authority. Consistent with Section 2.8.1 of this Attachment, an aggregator of retail customers wishing to offer Demand Response Load in the form of a Demand Response Resource on behalf of one or more retail customers must also include in its application and registration a certification that participation of each retail customer is either: (1) not precluded by the laws or regulations of the relevant electric retail regulatory authority if the customer is served by a utility that distributed more than 4 million MWh in the previous fiscal year; or (2)

affirmatively permitted by the laws or regulations of the relevant electric retail regulatory authority if the customer is served by a utility that distributed 4 million MWh or less in the previous fiscal year. Demand Response Resources must meet all application, registration and technical requirements applicable to the Energy and Operating Reserve Markets. The Transmission Provider is not responsible for interpreting the laws or regulations of a relevant electric retail regulatory authority and shall be required only to verify that the Market Participant has included such a certification in its application materials. The Transmission Provider is not liable or responsible for Market Participants participating in the Energy and Operating Reserve Markets in violation of any law or regulation of a relevant electric retail regulatory authority including state-approved retail tariff(s).

- (9) An aggregator of retail or wholesale customers offering Demand Response Load of one or more end-use retail customers or wholesale customers as a Demand Response Resource in the Energy and Operating Reserve Markets must be a Market Participant, satisfying all registration and certification requirements applicable to Market Participants as well as certification consistent with Section 2.8 of this Attachment, as required.
- (10) A wind-powered Variable Energy Resource with (1) an interconnection agreement executed after May 21, 2011 or (2) an interconnection agreement executed on or prior to May 21, 2011 and that commenced Commercial Operation on or after October 15, 2012 must register as a Dispatchable Variable Energy Resource. A wind-powered Variable Energy Resource with an interconnection agreement executed on or prior to May 21, 2011 may register as a Dispatchable Variable Energy Resource if it is capable of being incrementally dispatched by the Transmission Provider. Variable Energy Resources with fuel sources other than wind may optionally register as a Dispatchable Variable Energy Resource. Otherwise, Variable Energy Resources must register as Non-Dispatchable Variable Energy Resources. A Qualifying Facility exercising its rights under PURPA to deliver its net output to its host utility may register as a Non-Dispatchable Variable Energy Resource or a Dispatchable Variable Energy

Resource as described in the Market Protocols. Any Resource that has previously registered as a Dispatchable Variable Energy Resource shall not subsequently register as a Non-Dispatchable Variable Energy Resource.

- (11) A Market Participant that is selling firm power to the load asset under a bilateral contract may, with the agreement of the buyer, register all or a portion of the buyer's load as its load asset. For purposes of this Section 2.2(11) of this Attachment AE, the sale of firm power shall refer to power sales deliverable with firm transmission service, with the supplier assuming the obligation to serve the buyer's load with both capacity and energy. For the purposes of Section 2.11.1 of this Attachment AE, such registration of the buyer's load by the seller shall be accounted for by including such load in the seller's Reported Load and not including such load in the buyer's Reported Load, as described under Section 2.11.1(A)(1) of this Attachment AE, and such associated bilateral contracts shall not be included in either the buyer's or seller's net resource capacity described under Section 2.11.1(A)(4) of this Attachment AE.
- (12) A Transmission Owner providing firm transmission service under a GFA eligible for GFA Carve Out must request removal of congestion and marginal loss charges and designate the GFA Responsible Entity within the timeframe set forth in Section 2.2 (1) of Attachment AE.
- (13) A GFA Responsible Entity shall provide to the Transmission Provider the information necessary to administer the GFA Carve Out. The required information shall include the following:
 - (a) Resource Settlement Location;
 - (b) Load Settlement Location;
 - (c) The maximum MW capacity contracted under the GFA Carve Out;
 - (d) The identification of the GFA in Attachment W; and
 - (e) Any other information reasonably required by the Transmission Provider.
- (14) Market Participants with assets interconnected to the Transmission System that are not participating in the Energy and Operating Reserve Markets must pseudo-tie the Resource or load out of the SPP Balancing Authority Area in

accordance with Attachment AO. Such assets shall continue to be registered in the Integrated Marketplace for the purposes of accounting for congestion and loss charges between the Resource Price Node and the applicable External Interface Settlement Location as described under Sections 8.6.19 and 8.6.20 of this Attachment AE.

- (a) To the extent that the SPP Balancing Authority or associated external Balancing Authority can no longer maintain the Resource pseudo-tie for reliability reasons, the Market Participant representing the pseudo-tied Resource must immediately reduce the output of the pseudo-tied resource to the available pseudo-tie capability after receiving notification from the affected Balancing Authority of the reduced capability. A Market Participant shall not generate any energy in excess of the available pseudo-tie capability after receiving such notification and shall not be compensated in the Energy and Operating Reserve Markets settlement for any energy generated in excess of the available pseudo-tie capability.
- (15) Western-UGP shall provide to the Transmission Provider the information necessary to administer the FSE. The required information shall include the following:
- (a) Resource Settlement Locations;
 - (b) Load Settlement Locations;
 - (c) The maximum MW capacity contracted under the FSE;
 - (d) The identification of the FSE Statutory Load Obligations as described in the SPP-Western-UGP NITSA; and
 - (e) Any other information reasonably required by the Transmission Provider.
- (16) The Transmission Provider shall establish FSE Transfer Points consistent with the FSE transmission service power flow impacts.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Att. AE (MPL) 7, Attachment AE (MPL) Section 7, 2.0.0, A

Record Narrative Name: 7.0 Transmission Congestion Rights Markets

Tariff Record ID: 1102

Tariff Record Collation Value: 549312000 Tariff Record Parent Identifier: 999

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1
Associated Filing Identifier:

7.0 Transmission Congestion Rights Markets

The TCR Markets process includes an *annual LTCR allocation*, an annual ARR allocation, annual and monthly TCR auctions and a monthly ARR allocation in accordance with the timelines specified in the Market Protocols. The TCR Markets process is subject to review by the Market Monitor consistent with Attachment AG of this Tariff. *LTCRs are obtained by Eligible Entities during the annual LTCR allocation.* ARRs are obtained by Eligible Entities during the annual ARR allocation or the monthly ARR allocation. TCRs are obtained by Market Participants through *the annual LTCR allocation and the annual and monthly TCR auctions.*

There are *eight (8)* key processes associated with *LTCRs*, ARRs and TCRs:

- (1) Annual *LTCR*/ARR verification;
- (2) Annual *LTCR* allocation;
- (3) *Annual ARR allocation*;
- (4) Annual TCR auction;
- (5) Monthly ARR allocation;
- (6) Monthly TCR auction;
- (7) ARR allocation and TCR auction settlements; and
- (8) TCR secondary markets.

Table 7-1 in Section 7.4.2 of this Attachment AE provides additional details related to auction timing and Transmission System capability available for the TCR auctions.

(b) Except as otherwise provided in this Section 7.0.b (ii), an entity taking firm transmission service under a GFA Carve Out will not be eligible to participate in the TCR Markets for the MW capacity associated with the GFA Carve Out.

- (i) The MW capacity associated with each GFA Carve Out shall be included in the

Transmission Provider's ARR allocation and TCR auction processes in a manner that reflects the transmission service pursuant to the GFA Carve Out, provided, however, that (A) candidate ARRs associated with the GFA Carve Out service shall not be nominated for a product period if, based upon the twelve preceding months for which congestion data is available, such ARR, had it been converted to a TCR, would have resulted in a net charge to the holder of the TCR over that product period, and (B) until twelve months of Integrated Marketplace data are available, the Transmission Provider shall use relevant data from both the EIS Market and the Integrated Marketplace to estimate whether the result would have been a net charge to the TCR holder.

- (ii) On an annual basis, the GFA Responsible Entity may elect, in writing, to cancel the GFA Carve Out treatment and will be eligible to participate in the TCR Markets pursuant to Section 7.0 of Attachment AE. The conversion of GFA Carve Out to the TCR Market is irrevocable.

(c) Firm transmission capacity associated with a FSE shall not be eligible to participate in the TCR Markets.

- (i) The MW capacity associated with each FSE shall be included in the Transmission Provider's ARR allocation and TCR auction processes in a manner that reflects the transmission service pursuant to the FSE, provided, however, that Candidate ARRs associated with the FSE service shall not be nominated for a product period if, based upon the twelve preceding months for which congestion data is available, such ARR, had it been converted to a TCR, would have resulted in a net charge to the holder of the TCR over that product period.
- (ii) For the MW capacity associated with each FSE, the sink for the ARR/TCR shall be the (1) load Settlement Location within the UMZ, (2) interface with an external Balancing Authority, or (3) FSE Transfer Point, as appropriate. For ARR/TCR activity from FSE Transfer Points to load external to the UMZ but internal to the Transmission Provider, the normal ARR/TCR process is available to the applicable Market Participants from the FSE Transfer Point to the load consistent with the transmission service reservation.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Att. AE (MPL) 8.2, Attachment AE (MPL) Section 8.2, 1.0.0, A

Record Narrative Name: 8.2 Bilateral Settlement Schedules

Tariff Record ID: 1141

Tariff Record Collation Value: 549428000 Tariff Record Parent Identifier: 1134

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

8.2 Bilateral Settlement Schedules, GFA Carve Outs and FSE

Market Participants may create Bilateral Settlement Schedules for Energy and Operating Reserve obligations by registering and confirming the parameters of the agreement between buyer and seller as described in the Market Protocols. Both the buyer and seller must confirm the Bilateral Settlement Schedule except when the Bilateral Settlement Schedule is associated with an existing bilateral agreement under Section 8.2.1 of this Attachment AE. Either the buyer or seller may terminate the Bilateral Settlement Schedule at any time except when the Bilateral Settlement Schedule is associated with an existing bilateral agreement under Section 8.2.1 of this Attachment AE.

Market Participants may submit Bilateral Settlement Schedule quantities for Energy and Operating Reserve obligation for use in the Day-Ahead Market and may submit Bilateral Settlement Schedule quantities for Energy for use in the Real-Time Balancing Market up to four (4) days following the applicable Operating Day for the initial settlement. New submittals and revisions to previously submitted values may be submitted up to forty-four (44) days following the applicable Operating Day to be included in the final settlement. Submittals not confirmed by both parties will not be included in any settlement execution.

Transactions related to Bilateral Settlement Schedules for Energy must specify the Settlement Location, the MW amount, the buyer, the seller and which market it applies to (Day-Ahead Market or RTBM), and must be for the physical transfer of Energy, with title of the energy transferring from the seller to the buyer at the Settlement Location specified for the transaction. Market Participants that submit Bilateral Settlement Schedules for Energy shall use reasonable efforts to limit the megawatt hours of such transactions to amounts reflecting the

expected load and other physical delivery obligations of the buyer under the bilateral contract. The seller receives an increase in load obligation equal to the specified MW amount and the buyer receives a reduction in load obligation equal to the specified MW amount (the equivalent of a Resource settlement) at the specified Settlement Location.

Transactions related to Bilateral Settlement Schedules for Operating Reserve obligation must specify the buyer, the seller, the Operating Reserve product, the MW obligation transfer and the Reserve Zone within which the obligation transfer applies and must be for the physical transfer of energy associated with the Operating Reserve product, with title of the Operating Reserve product transferring from the seller to the buyer at the Reserve Zone specified for the transaction. The seller receives an increase in Operating Reserve obligation equal to the specified MW and the buyer receives a corresponding decrease in Operating Reserve obligation within the specified Reserve Zone.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Att. AE (MPL) 8.2.3, Attachment AE (MPL) Section 8.2.3, 0.0.0, A

Record Narrative Name: 8.2.3 FSE

Tariff Record ID: 1311

Tariff Record Collation Value: 549429500 Tariff Record Parent Identifier: 1141

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: NEW

Record Content Type: 1

Associated Filing Identifier:

8.2.3 FSE

Western-UGP shall not be charged for the cost of congestion and marginal losses for actual energy (MWh) transacted from Federal Power-Western-UGP resources across the UMZ to Western-UGP's Statutory Load Obligations as stated in Section 39.3(e)(ii) of this Tariff.

- (a) FSE treatment is only available to the extent that the Resources are offered into the Day-Ahead Market using a commitment status as described in Section 4.1(10) (a) or (b) of this Attachment AE. To the extent a Federal Power-Western-UGP resource is external to the Energy and Operating Reserve Markets, an Import Interchange Transaction must be submitted in the Day-Ahead Market with sufficient capacity to cover the FSE Schedule.
- (b) The Transmission Provider will remove charges for cost of congestion and cost of marginal losses from the Settlement Statement as provided in Section 10.1(5) of Attachment AE, only if Western-UGP submits a FSE Schedule and E-Tag (if

applicable) according to the procedures specified in Section 8.2.3.1 of Attachment AE for the Day-Ahead Market for the FSE transaction, consistent with the FSE Settlement Locations, and within the maximum MW capacity permissible under the FSE. Western-UGP must update the FSE Schedule after the close of the Day-Ahead Market with the actual energy transacted that corresponds to the FSE.

- (c) The Transmission Provider shall account for the FSE in the TCR Markets, but shall not allocate ARRs or assign TCRs to Western-UGP for a FSE.
- (d) Western-UGP is responsible for coordinating the FSE Schedule data and ensuring the consistency of the FSE Schedules. The Market Monitor will monitor FSE Schedules in accordance with Section 4.6 of Attachment AG of this Tariff.
- (e) The FSE Schedule associated with a Federal Power-Western-UGP resource will include provision of physical losses in accordance with Attachment M of this Tariff. The FSE Schedule associated with Statutory Load Obligations will not include the physical losses.

8.2.3.1 FSE Schedules

Western-UGP shall create FSE Schedules for all energy transacted under the FSE, as described in the Market Protocols. Western-UGP shall submit: (i) FSE Schedules for the Resource Settlement Location within the Energy and Operating Reserve Markets; (ii) FSE Schedules for the Load Settlement Location or FSE Transfer Point within the Energy and Operating Reserve Markets; and (iii) an E-Tag for FSE transactions with Resource Settlement Location or Load Settlement Location external to the Energy and Operating Reserve Markets.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Att. AE (MPL) 8.5.16, Attachment AE (MPL) Section 8.5.16, 1.0.0, A

Record Narrative Name: 8.5.16 Day-Ahead Over-Collected Losses Distribution Amount

Tariff Record ID: 1164

Tariff Record Collation Value: 549520000 Tariff Record Parent Identifier: 1148

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

8.5.16 Day-Ahead Over-Collected Losses Distribution Amount

The MLC of the Day-Ahead Market LMP creates an over collection of funds related to payment for losses (“Day-Ahead Market Over-Collected Losses”) that must be refunded to Asset Owners, as described in this Section 8.5.16. Day-Ahead Market Over-Collected Losses refunds associated with a GFA Carve Out and FSE are calculated pursuant to this Section 8.5.16 and included as a credit to the GFA Carve Out costs and FSE costs under Section 8.5.18 of this Attachment AE. Day-Ahead Market Over-Collected Losses refunds associated with a GFA Carve Out shall not be credited to a GFA Carve Out Responsible Entity to the extent of load it serves under GFA Carve Out Schedule(s). Day-Ahead Market Over-Collected Losses refunds associated with a FSE shall not be credited to Western-UGP for the amount of load served under an FSE Schedule(s).

- (1) A payment for the portion of such Day-Ahead Market over-collected losses allocable to each Asset Owner (“Day-Ahead Over-Collected Losses Distribution Amount”) shall be calculated for each hour at each Settlement Location for which an Asset Owner has a Day-Ahead Market Energy withdrawal within a Loss Pool, provided that such withdrawal does not include Energy associated with cleared Virtual Energy Bids, and such Loss Pool contributed positively to the over-collection according to the following calculations:
 - (a) Each Loss Pool’s contribution to the Day-Ahead Market over-collected losses is calculated based on transactional activity in that Loss Pool where such transactional activity shall include: cleared Resource Offers, cleared Demand Bids, cleared Import Interchange Transaction Offers, cleared Export Interchange Transaction Bids, cleared Virtual Energy Bids and cleared Virtual Energy Offers.
 - (b) A “Day-Ahead Market Loss Pool loss rebate factor” is calculated hourly for each Loss Pool. The Day-Ahead Market Loss Pool loss rebate factor is equal to the sum of the positive loss rebate factors calculated in the Day-Ahead Market at each withdrawal Settlement Location in the Loss Pool (the “Day-Ahead Market Withdrawal Settlement Location loss rebate factor”). Day-Ahead Market Withdrawal Settlement Location loss rebate

factors are calculated hourly as the difference between the Day-Ahead MLC at a withdrawal Settlement Location in the Loss Pool and the injection weighted average Day-Ahead MLC for the Loss Pool, multiplied by the withdrawal quantity at that withdrawal Settlement Location.

- (i) For any Settlement Location that is contained within more than one Settlement Area Loss Pool, any injections or withdrawals associated with such Settlement Location shall be allocated pro rata to the applicable Settlement Area Loss Pools based upon actual submitted real-time meter values for the Meter Data Submittal Locations contained within each applicable Settlement Area Loss Pool.
 - (ii) The total withdrawal quantity at a Settlement Location is calculated as the positive value of the sum of all cleared Resource Offers, cleared Demand Bids, cleared Import Interchange Transaction Offers, cleared Export Interchange Transaction Bids, cleared Virtual Energy Bids and cleared Virtual Energy Offers at that Settlement Location.
- (c) The injection weighted average Day-Ahead MLC for a Loss Pool is calculated assuming that injection in a Loss Pool first serves withdrawals in the Loss Pool and then goes to meet the withdrawal in Loss Pools that do not have sufficient injections to meet all withdrawals.
- (d) A Day-Ahead Loss Pool Unitized Loss Rebate Factor is calculated for each Loss Pool and is equal to that Loss Pool's Day-Ahead Market Loss Pool loss rebate factor, as calculated in (1)(b) above, divided by the sum of all Day-Ahead Market Loss Pool loss rebate factors.
- (2) The Day-Ahead over-collected losses distribution amount shall be calculated hourly for each Asset Owner for each Loss Pool and withdrawal Settlement Location within each Loss Pool as follows:

Asset Owner Settlement Location Day-Ahead Over-Collected Losses
Distribution Amount =

$$\begin{aligned} &[(\text{Day-Ahead Loss Pool Unitized Loss Rebate Factor}) * (\text{Day-Ahead} \\ &\text{Over-Collected Losses Amount}) * (\text{Asset Owner Settlement Location} \\ &\text{Withdrawal in Loss Pool} / \text{Total Asset Owner Settlement Location} \\ &\text{Withdrawals in Loss Pool}) * (-1) \end{aligned}$$

- (a) The Day-Ahead Over-Collected Losses Amount in an hour is equal to the sum for all Settlement Locations of an amount equal to $[(\text{Day-Ahead LMP} - \text{Day-Ahead MCC}) * \text{Total cleared Energy MW at each Settlement Location}]$.
- (b) The Asset Owner Settlement Location Withdrawal in Loss Pool is equal to the positive value of sum of the Asset Owner's cleared Demand Bids, cleared Resource Offers, cleared Interchange Transactions, Day-Ahead Market Bilateral Settlement Schedules, GFA Carve Out Schedules, and FSE Schedules at that Settlement Location in that Loss Pool.
- (c) Day-Ahead Loss Pool Unitized Loss Rebate Factor is the factor calculated as described in subsection (1)(d) above.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Att. AE (MPL) 8.5.18, Attachment AE (MPL) Section 8.5.18, 1.0.0, A

Record Narrative Name:

Tariff Record ID: 1274

Tariff Record Collation Value: 549524500 Tariff Record Parent Identifier: 1148

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

8.5.18 Day-Ahead GFA Carve Out and FSE Daily Amount

A Day-Ahead Market credit or charge for exclusion of transactions associated with GFA Carve Outs and FSEs from Marketplace settlement of congestion, losses and hedging instruments as described under Section 8.2.2 of this Attachment AE, is calculated each day for every Asset Owner modeled to represent a GFA Carve Out or FSE. This Day-Ahead GFA Carve Out Daily

Amount is calculated as follows:

Day-Ahead GFA Carve Out Daily Amount per Asset Owner = $((-1) * (\text{Day-Ahead Asset Energy Amount} + \text{Day-Ahead Non-Asset Energy Amount} + \text{Transmission Congestion Rights Funding Amount} + \text{Transmission Congestion Rights Daily Uplift} + \text{Day-Ahead Over Collected Losses Distribution Amount} + \text{Transmission Congestion Rights Auction Daily Amount} + \text{Auction Revenue Rights Daily Amount} + \text{Auction Revenue Rights Daily Uplift Amount}))$

Where:

- (1) Day-Ahead Asset Energy Amount is equal to the daily sum of the hourly values calculated under Section 8.5.1(1) and 8.5.1(2) of this Attachment AE;
- (2) Day-Ahead Non-Asset Energy Amount is equal to the daily sum of the hourly values calculated under Section 8.5.1(3) of this Attachment AE;
- (3) Transmission Congestion Rights Funding Amount is equal to the daily sum of the hourly values calculated under Section 8.5.11 of this Attachment AE;
- (4) Transmission Congestion Rights Daily Uplift Amount is equal to the daily value calculated under Section 8.5.12 of this Attachment AE;
- (5) Day-Ahead Over-Collected Losses Distribution Amount is equal to the daily sum of the hourly values calculated under Section 8.5.16 of this Attachment AE;
- (6) Transmission Congestion Rights Auction Daily Amount is equal to the daily value calculated under Section 8.7.1 of this Attachment AE;
- (7) Auction Revenue Rights Daily Amount is equal to the daily value calculated under Section 8.7.2 of this Attachment AE; and
- (8) Auction Revenue Rights Daily Uplift Amount is equal to the daily value calculated under Section 8.7.3 of this Attachment AE.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Att. AE (MPL) 8.5.19, Attachment AE (MPL) Section 8.5.19, 1.0.0, A

Record Narrative Name:

Tariff Record ID: 1275

Tariff Record Collation Value: 549525000 Tariff Record Parent Identifier: 1148

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

8.5.19 Day-Ahead GFA Carve Out and FSE Monthly Amount

A Day-Ahead Market credit or charge for exclusion of GFA Carve Outs and FSEs from Marketplace settlement of Transmission Congestion Rights Monthly Payback Amount and Auction Revenue Rights Monthly Payback Amount, as described under Sections 8.5.13 and 8.7.4 of this Attachment AE, is calculated each month for every Asset Owner modeled to represent a GFA Carve Out or FSE. This Day-Ahead GFA Carve Out Monthly Amount is calculated as follows:

$$\text{Day-Ahead GFA Carve Out Monthly Amount per Asset Owner} = ((-1) * (\text{Transmission Congestion Rights Monthly Payback Amount} + \text{Auction Revenue Rights Monthly Payback Amount}))$$

Where:

- (1) Transmission Congestion Rights Monthly Payback Amount is equal to the monthly value calculated under Section 8.5.13 of this Attachment AE; and
- (2) Auction Revenue Rights Monthly Payback Amount is equal to the monthly value calculated under Section 8.7.4 of this Attachment AE.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Att. AE (MPL) 8.5.20, Attachment AE (MPL) Section 8.5.20, 1.0.0, A

Record Narrative Name:

Tariff Record ID: 1276

Tariff Record Collation Value: 549525500 Tariff Record Parent Identifier: 1148

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

8.5.20 Day-Ahead GFA Carve Out and FSE Yearly Amount

A Day-Ahead Market credit or charge for exclusion of GFA Carve Outs and FSEs from Marketplace settlement of Transmission Congestion Rights Yearly Payback Amount, Transmission Congestion Rights Yearly Closeout Amount, Auction Revenue Rights Yearly Payback Amount and Auction Revenue Rights Yearly Closeout Amount, as described under Sections 8.5.14, 8.5.15, 8.7.5 and 8.7.6 of this Attachment AE, is calculated each year for every Asset Owner modeled to represent a GFA Carve Out or FSE. This Day-Ahead GFA Carve Out

Yearly Amount is calculated as follows:

$$\text{Day-Ahead GFA Carve Out Yearly Amount per Asset Owner} = ((-1) * (\text{Transmission Congestion Rights Yearly Payback Amount} + \text{Transmission Congestion Rights Yearly Closeout Amount} + \text{Auction Revenue Rights Yearly Payback Amount} + \text{Auction Revenue Rights Yearly Closeout Amount}))$$

Where:

- (1) Transmission Congestion Rights Yearly Payback Amount is equal to the yearly value calculated under Section 8.5.14 of this Attachment AE;
- (2) Transmission Congestion Rights Yearly Closeout Amount is equal to the yearly value calculated under Section 8.5.15 of this Attachment AE;
- (3) Auction Revenue Rights Yearly Payback Amount is equal to the yearly value calculated under Section 8.7.5 of this Attachment AE; and
- (4) Auction Revenue Rights Yearly Closeout Amount is equal to the yearly value calculated under Section 8.7.6 of this Attachment AE.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Att. AE (MPL) 8.5.21, Attachment AE (MPL) Section 8.5.21, 1.0.0, A

Record Narrative Name:

Tariff Record ID: 1277

Tariff Record Collation Value: 549526000 Tariff Record Parent Identifier: 1148

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

8.5.21 GFA Carve Out and FSE Distribution Daily Amount

The Transmission Provider shall perform the following calculation for each day for each Asset Owner and Settlement Location to ensure that the Day Ahead GFA Carve Out Daily Amount is distributed to all non GFA Carve Out load and non FSE load on a daily load ratio share basis, and that the Transmission Provider is revenue neutral.

GFA Carve Out Distribution Daily Amount =

$$\text{GFA Revenue Inadequacy Daily Amount} * \text{Asset Owner Daily Distribution Factor} * (-1)$$

Where:

- (1) The GFA Revenue Inadequacy Daily Amount is equal to the sum of all GFA Carve Out charges and payments calculated under Section 8.5.18 of this Attachment AE for that day; and
- (2) An Asset Owner's Daily Distribution Factor is equal to:
 - (a) The sum for all hours in the Operating Day of the Maximum of (i) zero or (ii) the Asset Owner's hourly Reported Load plus hourly Export Interchange Transactions minus the Asset Owner's hourly GFA Carve Out load minus the Asset Owner's hourly FSE load;
Divided by,
 - (b) The sum for all Asset Owners and Settlement Locations of the values calculated in Section 8.5.21(2)(a).

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Att. AE (MPL) 8.5.22, Attachment AE (MPL) Section 8.5.22, 1.0.0, A

Record Narrative Name:

Tariff Record ID: 1278

Tariff Record Collation Value: 549526500 Tariff Record Parent Identifier: 1148

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

8.5.22 GFA Carve Out and FSE Distribution Monthly Amount

The Transmission Provider shall perform the following calculation for each month for each Asset Owner and Settlement Location to ensure the Day Ahead GFA Carve Out Monthly Amount is distributed to all non GFA Carve Out load and non FSE load on a monthly load ratio share basis and that the Transmission Provider is revenue neutral.

GFA Carve Out Distribution Monthly Amount =

GFA Revenue Inadequacy Monthly Amount * Asset Owner Monthly Distribution Factor
* (-1)

Where:

- (1) The GFA Revenue Inadequacy Monthly Amount is equal to the sum of all GFA Carve Out charges and payments calculated under Section 8.5.19 of this Attachment AE;

and

- (2) An Asset Owner's Monthly Distribution Factor is equal to:
 - (a) The sum for all hours in the month of the Maximum of (i) zero or (ii) the Asset Owner's hourly Reported Load plus hourly Export Interchange Transactions minus the Asset Owner's hourly GFA Carve Out load minus the Asset Owner's hourly FSE load;
Divided by,
 - (b) The sum for all Asset Owners and Settlement Locations of the values calculated in Section 8.5.22(2)(a).

Record Content Description, Tariff Record Title, Record Version Number, Option Code:
 Att. AE (MPL) 8.5.23, Attachment AE (MPL) Section 8.5.23, 1.0.0, A
 Record Narrative Name:
 Tariff Record ID: 1279
 Tariff Record Collation Value: 549527000 Tariff Record Parent Identifier: 1148
 Proposed Date: 2015-10-01
 Priority Order: 500
 Record Change Type: CHANGE
 Record Content Type: 1
 Associated Filing Identifier:

8.5.23 GFA Carve Out and FSE Distribution Yearly Amount

The Transmission Provider shall perform the following calculation for each year for each Asset Owner and Settlement Location to ensure the Day Ahead GFA Carve Out Yearly Amount is distributed to all non GFA Carve Out load and non FSE load on an annual load ratio share basis and that the Transmission Provider is revenue neutral.

$$\begin{aligned} &\text{GFA Carve Out Distribution Yearly Amount} = \\ &\text{GFA Revenue Inadequacy Yearly Amount} * \text{Asset Owner Yearly Distribution Factor} * \\ &(-1) \end{aligned}$$

Where:

- (1) The GFA Revenue Inadequacy Yearly Amount is equal to the sum of all GFA Carve Out charges and payments calculated under Section 8.5.20 of this Attachment AE;
and
- (2) An Asset Owner's Yearly Distribution Factor is equal to:

- (a) The sum for all hours in the year of the Maximum of (i) zero or (ii) the Asset Owner's hourly Reported Load plus hourly Export Interchange Transactions minus the Asset Owner's hourly GFA Carve Out load minus the Asset Owner's hourly FSE load,
divided by:
- (b) The sum for all Asset Owners and Settlement Locations of the values calculated in Section 8.5.23(2)(a) of this Attachment AE.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Att. AE (MPL) 8.9, Attachment AE (MPL) Section 8.9, 1.0.0, A

Record Narrative Name: Section 8.9 - GFA Carve Out Uplift Distribution Amount

Tariff Record ID: 1272

Tariff Record Collation Value: 549632500 Tariff Record Parent Identifier: 1134

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

8.9 GFA Carve Out or FSE Uplift

The Transmission Provider shall determine the congestion charges and marginal loss charges related to the GFA Carve Outs or FSE. Subject to Section 7.0(b)(i) of this Attachment AE, these charges will be offset by the ARR/TCR settlement that would have been claimed for each GFA Carve Out or FSE under the normal ARR/TCR process and by the distribution of associated Marginal Loss Overcollection funds. The Transmission Provider shall perform calculations in accordance with Sections 8.5.18 through 8.5.23 of this Attachment AE to ensure that the Transmission Provider is revenue neutral for the expense or credit attributed to GFA Carve Out Schedules or FSE Schedules. The Transmission Provider shall calculate uplift charges or credits on a load ratio share basis to each Market Participant for all load Asset Owners it represents, excluding from such calculations all load served under GFA Carve Out Schedules or FSE Schedules. The Daily, Monthly, and Yearly GFA Carve Out Uplift Distribution Amounts shall not be charged or credited to a GFA Carve Out Responsible Entity to the extent of load it serves under GFA Carve Out Schedules. The Daily, Monthly, and Yearly Uplift Distribution Amounts associated with FSE Schedules shall not be charged or credited to Western-UGP for the amount of load served under FSE Schedules.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Att. AE (MPL) 10.1, Attachment AE (MPL) Section 10.1, 1.0.0, A
Record Narrative Name: 10.1 Settlement Statements
Tariff Record ID: 1209
Tariff Record Collation Value: 549644000 Tariff Record Parent Identifier: 1198
Proposed Date: 2015-10-01
Priority Order: 500
Record Change Type: CHANGE
Record Content Type: 1
Associated Filing Identifier:

10.1 Settlement Statements

- (1) The Transmission Provider shall issue a preliminary Settlement Statement for an Operating Day no later than seven (7) calendar days following the applicable Operating Day unless the seventh (7) day following the applicable Operating Day is not a business day, in which case, the preliminary Settlement Statement shall be issued on the first business day thereafter.
- (2) The Transmission Provider shall issue a final Settlement Statement for an Operating Day no later than forty-seven (47) calendar days following the applicable Operating Day unless the forty-seventh (47) calendar day following the applicable Operating Day is not a business day, in which case, the final Settlement Statement shall be issued on the first (1) business day thereafter.
- (3) The Transmission Provider shall make corrections to the preliminary and final Settlement Statements for an Operating Day for data errors and Settlement Statement disputes that have been resolved. Settlement associated with a specific Operating Day shall be considered final at the end of the three hundred sixty-fifth (365) calendar day following the applicable Operating Day.
- (4) To the extent that a Market Participant, or its designated meter agent, does not submit meter data representing that Market Participant's actual Resource output and load consumption, either on a five (5) minute basis or an hourly basis in accordance with the timelines specified in the Market Protocols, the Transmission Provider shall use estimated data for that Market Participant that is equal to that Market Participant's telemetered generation and load for the applicable intervals or State Estimator values if telemetered values are not available for the purposes of calculating the preliminary statements specified under Sections 10.1(1). To the extent a Meter Agent does not submit data representing the metering of each interconnecting tie-line between Settlement Areas, the Transmission Provider will

substitute State Estimator values. In the event that actual meter data is not submitted prior to the issuance of a final Settlement Statement, the Transmission Provider shall use the best available data, which may include estimated meter data as developed by the Transmission Provider, for the purposes of calculating final Settlement Statements.

- (5) The Transmission Provider shall remove from the GFA Responsible Entity's Settlement Statement all charges associated with the cost of congestion and the cost of losses for GFA Carve Out transactions based on the Day-Ahead Market for the designated Settlement Locations, as set forth in Section 8.2.2 of Attachment AE. The Transmission Provider removal of all charges associated with the cost of congestion and the cost of losses for GFA Carve Out is subject to the GFA Responsible Entity's compliance with the requirements of Section 8.2.2.1 of Attachment AE
- (6) The Transmission Provider shall remove from Western-UGP's Settlement Statement all charges associated with the cost of congestion and the cost of losses for FSE transactions based on the Day-Ahead Market for the designated Settlement Locations, as set forth in Section 8.2.3 of this Attachment AE. Such removal is subject to Western-UGP's compliance with the requirements of Section 8.2.3.1 of this Attachment AE.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment AG Section 4, Attachment AG Section 4, 3.0.0, A

Record Narrative Name: 4.0 Market Monitoring

Tariff Record ID: 557

Tariff Record Collation Value: 559203632 Tariff Record Parent Identifier: 553

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

4. Market Monitoring

4.1 Markets to be Monitored

The Market Monitor will monitor Markets and Services. The Market Monitor will not monitor bilateral energy, transmission or capacity markets and services not administered, coordinated or facilitated by SPP, except to assess the effect of

these markets and services on Markets and Services, or the effects of Markets and Services on these unmonitored markets. Similarly, the Market Monitor will not monitor the energy, transmission or capacity markets and services in regions adjacent to the SPP Region except to assess the effect of these markets and services on Markets and Services, or the effects of Markets and Services on these adjacent markets.

4.2 Market Monitoring Scope

The Market Monitor will implement the Plan. The markets will require continuous monitoring by the Market Monitor. The Market Monitor will monitor Markets and Services by reviewing and analyzing market data and information including, but not limited to:

- (a) Resource registration data;
- (b) Resource Offer data including non-price related offer parameters required for use in either the Day-Ahead Market, Reliability Unit Commitment process and/or Real-Time Balancing Market;
- (c) Demand Bids for the purchase of Energy in the Day-Ahead Market;
- (d) Virtual Energy Bids for the purchase of Energy in the Day-Ahead Market and Virtual Energy Offers for the sale of Energy in the Day-Ahead Energy Market;
- (e) Export Interchange Transaction Bids and Import Interchange Transaction Offers for the purchase and sale of Energy in the Day-Ahead Market and the Real-Time Balancing Market;
- (f) Actual commitment and dispatch of Resources, including but not limited to Resource MW capability and output, MVAR capability and output, status, and outages;
- (g) Locational Marginal Prices and zonal Market Clearing Prices at all Settlement Locations in or affecting any of Markets and Services;
- (h) SPP Balancing Authority Area data, including but not limited to demand, area control error, Net Scheduled Interchange, actual total net interchange, and forecasts of operating reserves and peak demand;
- (i) Conditions or events both inside and outside the SPP Balancing Authority

Area affecting the supply and demand for, and the quantity and price of, products or services sold or to be sold in Markets and Services;

- (j) Information regarding transmission services and rights, including the estimating and posting of Available Transfer Capability (“ATC”) or Available Flowgate Capability (“AFC”), administration of this Tariff, the operation and maintenance of the transmission system, any auctions or other markets for transmission rights, and the reservation and scheduling of transmission service;
- (k) Information regarding the nature and extent of transmission congestion in the region and, to the extent practicable, transmission congestion on any other system that affects Markets and Services, including but not limited to causes of, costs of and charges for transmission congestion, transmission facility loading, MVA capability, line status and outages;
- (l) Settlement data for the Markets and Services;
- (m) Any information regarding collusive or other anticompetitive or inefficient behavior in or affecting any of Markets and Services;
- (n) Generation resource operating cost data for estimating resource incremental cost, including fuel input costs, heat rates where applicable, start-up fuel requirements, environmental costs and variable operating and maintenance expenses;
- (o) Logs of transmission service requests and Generation Interconnection Requests along with the disposition of each request and the explanation of any refused requests;
- (p) Any additional Resource and transmission facility outage data not otherwise provided for in this Section 4.2;
- (q) GFA Carve Out Schedules; and
- (r) FSE Schedules.

4.2.1 Additional Market Monitor Duties

- (a) In addition to the monitoring of market Data and Information, the Market Monitor may communicate with SPP Staff and Market

Participants at any time for the purpose of monitoring and assessing market conditions.

- (b) The Market Monitor shall evaluate the effectiveness of Markets and Services in signaling the need for investment in new generation, transmission or demand response infrastructure and report on its findings at least annually.

4.3 Referrals to the Commission

- (a) The Market Monitor shall report suspected market violations, as defined in 18 CFR 35.28(b)(8), to FERC's Office of Enforcement (or its successor organization) staff in accordance with the FERC's reporting protocols for referrals by market monitors as specified in 18 C.F.R. § 35.28(g)(3)(iv) in a timely manner. Any such reports by the Market Monitor to FERC Staff shall be on a confidential basis, and all information and documents included in such reports will not be released to any other party except to the extent FERC directs or authorizes such release, unless such information and documents are already in the public domain.

4.4 Monitoring for Potential Integrated Marketplace Manipulation

The Market Monitor will monitor for potential instances of market manipulation in the Integrated Marketplace. Such actions or transactions that are without a legitimate business purpose and that are intended to or foreseeably could manipulate market prices (including actions resulting in excessive day-ahead clearing prices), market conditions, or market rules for electric energy or electric products are prohibited. As listed by the FERC, prohibited behavior includes (a) wash trades, (b) submission of false data, (c) actions to cause artificial congestion and (d) collusive acts. The Market Monitor will report any market manipulation in the Integrated Marketplace in a timely manner.

4.5 Monitoring for Potential Transmission Market Power Activities

The Market Monitor shall monitor Markets and Services for the exercise of transmission market power by reviewing and analyzing data and information related to the availability of transmission facilities that impact access to services

under this Tariff. The Market Monitor will monitor for activities particularly with respect to the withholding of transmission facilities or transmission capacity, including activities such as but not limited to, the following:

- (a) Physical withholding by Transmission Owners by providing improper information related to the availability of transmission, such as information related to the capability or other modeling data used by SPP for use in system operations;
- (b) Economic withholding by Transmission Owners through the use of methods and data for estimating costs of interconnection and system upgrades that is not comparable for affiliates and non-affiliates;
- (c) Unavailability of transmission facilities through planned and unplanned maintenance outages that routinely exceed historical baselines; and
- (d) Withholding of transmission capacity through excess reservations that are not actually used.

The Market Monitor shall refer any perceived market design flaws and recommended Tariff language changes to the Commission's Office of Energy Market Regulation (or its successor office/organization). In addition, the Market Monitor shall refer any instance(s) of the suspected exercise of transmission market power directly to the Commission's Office of Enforcement (or its successor organization) utilizing the protocols for referrals to the Commission for suspected instances of the exercise of market power that may be part of a suspected market violation, such as manipulation, in accordance with 18 C.F.R. § 35.28(g)(3)(iv). Where appropriate, the Market Monitor shall also provide the FERC with an estimate of damages equal to (i) the effect on prices multiplied by (ii) the affected energy produced by the Transmission/Generation Owner. The Market Monitor may also request the FERC to impose additional sanctions and penalties, which may consist of a fixed dollar amount based on each instance, or an amount up to (i) the effect on prices multiplied by (ii) the affected energy produced by Market Participants other than the Transmission/Generation Owner. All such referrals by the Market Monitor to FERC will be on a confidential basis, and all information and documents included in such reports will not be released to

any other party except to the extent FERC directs or authorizes such release.

4.6 Monitoring for Market Participant Behavior Possibly Warranting Mitigation

The Market Monitor shall monitor Markets and Services for potential abuse associated with the following categories of Market Participant behavior: (1) economic withholding; (2) uneconomic production; (3) physical withholding; (4) uneconomic Virtual Bids and Virtual Offers; (5) gaming related to GFA Carve Out Schedules; and (6) gaming related to FSE Schedules. The mitigation measures for each of the behaviors identified in items (1) through (4) of this paragraph are described in Attachment AF. When the Market Monitor determines that there is sufficient credible information about a specific abusive practice, the issue will be referred to the Commission's Office of Enforcement (or its successor organization). Nothing in this section shall limit the Market Monitor's obligation to refer other suspected market violations to the Commission's Office of Enforcement, even where suspected behavior does not fall explicitly within the abovementioned categories or descriptions.

4.6.1 Uneconomic Production

The Market Monitor will monitor for cases where uneconomic production by a Resource causes congestion on transmission facilities or price separation between Reserve Zones that is not justified by reliability concerns. The provisions of this Section 4.6.1 shall not apply to Demand Response Resources.

- (a) Potential uneconomic production will be indicated, and subject to further analysis as described in (b) of this Section 4.6.1, when the Resource has a positive Resource-to-Load Distribution Factor and any of the following conditions are met:
 - (1) a Resource is identified with an incremental energy offer price less than 50 percent of the applicable reference level; or
 - (2) a Resource is determined to be generating outside of its

Operating Tolerance; or

- (3) a Resource is subject to a time-based or other resource offer parameter (non-time and non-dollar based) that appears to facilitate production that is otherwise uneconomic.

- (b) For any Resource meeting the conditions described in (a) of this Section 4.6.1, the Market Monitor shall determine whether: (i) the MW impact from uneconomic production associated with such Resource is exacerbating the transmission congestion or binding a Reserve Zone; and (ii) the uneconomic production is not obviously justified by reliability or other operational concerns.

The Market Monitor will conduct evaluations as specified above and other related assessments to determine if there is sufficient credible information to justify referral to the Commission.

4.6.2 Monitoring for Virtual Energy Bids and Virtual Energy Offers

The Market Monitor will monitor the level of divergence between the Day-Ahead Market LMPs and the Real-Time Balancing Market LMPs. Section 4.6.3 defines the monitoring metric and thresholds to be used in determining the existence of excessive LMP divergence. In the case that there is excessive LMP divergence, the Market Monitor will determine if the LMP divergence is attributable to the Virtual Energy Bid and Virtual Energy Offer behavior of one or more Market Participants. If the Market Monitor identifies one or more Market Participants as having caused the excessive LMP divergence through Virtual Energy Bid and Virtual Energy Offer behavior, then the Transmission Provider shall impose mitigation measures described in Section 4.0 of Attachment AF.

4.6.3 Metric and Threshold Specifications

The Market Monitor will compute the hourly LMP deviation between the

Day-Ahead Market and Real-Time Balancing Market using the following formula: $[(LMP_{RTBM} / LMP_{DA \text{ Market}}) - 1] * 100$. The average hourly LMP deviation is computed over a rolling four (4) week period or any other period that the Market Monitor determines is appropriate. If the four (4) week rolling average is below negative ten percent (-10%) or in excess of ten percent (10%), then the divergence is considered excessive and additional analysis is required.

4.6.4 Physical Withholding

The Market Monitor will monitor for physical withholding of capacity from the Energy and Operating Reserve Markets, and unavailability of facilities. Physical withholding and unavailability of facilities may include:

- (a) Declaring that a Resource has been derated, forced out of service or otherwise been made unavailable for technical reasons that are untrue or that cannot be verified;
- (b) Refusing to provide offers or schedules for a Resource when it would otherwise have been in the economic interest to do so without market power;
- (c) Operating a Resource in real-time to produce an output level that is less than the dispatch instruction;
- (d) Derating a transmission facility for technical reasons that are not true or verifiable;
- (e) Operating a transmission facility in a manner that is not economic and that causes a binding transmission constraint or binding reserve zone or local reliability issue; and
- (f) Declaring that the capability of Resources to provide Energy or Operating Reserves is reduced for reasons that are not true or verifiable.

Market Participants will not be deemed to be physically withholding if they are following the directions of the SPP Balancing Authority,

Reliability Coordinator, or applicable reliability standards. In addition, Market Participants will not be determined to have physically withheld if they are selling into another market at a higher price.

4.6.4.1 Thresholds for Identifying Physical Withholding of Resource Capacity

4.6.4.1.1 A Market Participant is deemed to be physically withholding capacity in a Frequently Constrained Area if all of the following conditions exist:

- (a) One or more of the transmission constraints or Reserve Zone constraints that define the Frequently Constrained Area are binding; and
- (b) The Market Participant controls or owns a Resource located in the Frequently Constrained Area that satisfies condition 4.6.4(a), 4.6.4(b), 4.6.4(c), or 4.6.4(f) of this Attachment AG.

4.6.4.1.2 A Market Participant is deemed to be physically withholding capacity in an area not designated as a Frequently Constrained Area if all of the following conditions exist:

- (a) One or more transmission constraints are binding or a Reserve Zone is binding; and
- (b) The Resource(s) meets either of the following criteria (1) or (2);
 - (1) Such Resource(s) satisfy one of the conditions in Sections 4.6.4(a), 4.6.4(b), or 4.6.4(f) of this Attachment AG and the total withheld capacity exceeds the lower of 5 percent of the total capability owned or controlled by the Market Participant or 200 MW; or
 - (2) Where the real-time output of each such

Resource is less than the Resource's Operating Tolerance defined in Attachment AE, Section 6.4.1 of this Tariff and the Resource is not exempt from Uninstructed Resource Deviation under Attachment AE, Section 6.4.1.1 of this Tariff.

4.6.4.2 Thresholds for Screening of Potential Physical Withholding of Transmission Facilities

A transmission facility fails the physical withholding screen if either of the following conditions is met:

- (a) The transmission facility satisfies a condition in Section 4.6.4(d) or 4.6.4(e) of this Attachment AG;
or
- (b) The Market Monitor identifies a pattern of scheduling outages resulting in increased market costs compared to an alternative and lower cost impact outage schedule.

4.6.4.3 Sanctions

The Market Monitor will record instances where Market Participants have failed the screens in Sections 4.6.4.1 and 4.6.4.2 of this Attachment AG and notify the Commission's Office of Enforcement, or successor organization, of such behavior. In the event the Market Monitor determines there is credible evidence of a market violation, the Market Monitor shall make a referral to the Commission as described in Section 4.3 of this Attachment AG.

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment AN, Attachment AN - Southwest Power Pool Balancing Authority, 2.0.0, A

Record Narrative Name: Attachment AN Agreement Between Southwest Power Pool, Inc. and Southwest Power Pool Balancing Authority Participants Relating to the Implementation of the Southwest Power Pool Balancing Authority

Tariff Record ID: 584

Tariff Record Collation Value: 582891240 Tariff Record Parent Identifier: 0

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1
Associated Filing Identifier:

ATTACHMENT AN

AGREEMENT BETWEEN SOUTHWEST POWER POOL, INC. AND SOUTHWEST POWER POOL BALANCING AUTHORITY PARTICIPANTS RELATING TO THE IMPLEMENTATION OF THE SOUTHWEST POWER POOL BALANCING AUTHORITY

Southwest Power Pool, Inc. and the SPP BA Participants in the SPP Balancing Authority (as such terms are defined below) agree to the following terms.

1. RECITALS

- 1.1 In its May 1, 2007 Order in *Southwest Power Pool, Inc.*, Docket No. ER06-451-020, the FERC approved the EIS Agreement which provided for the performance of Balancing Authority responsibilities relating to implementation of the EIS Market through the SPP Open Access Transmission Tariff.
- 1.2 Through the EIS Agreement the Parties set out in detail the division and transfer of certain responsibilities between those entities identified as SPP Balancing Authorities in the EIS Agreement, and SPP relating to implementation of the EIS Market through the SPP OATT.
- 1.3 The Parties are replacing the EIS Agreement to accommodate the development and implementation of the SPP Integrated Marketplace and SPP becoming the Balancing Authority for the entire consolidated SPP Balancing Authority Area.
- 1.4 The Parties believe that this Agreement is in the public interest.

2. DEFINITIONS

- 2.01 **ACTUAL INTERCHANGE.** The metered interchange over a specific interconnection, including pseudo-ties, between two directly interconnected BAs.
- 2.02 **ADJACENT BALANCING AUTHORITY.** As defined in the NERC Glossary of Terms.
- 2.03 **AGREEMENT.** This “Agreement Between Southwest Power Pool, Inc. And Southwest Power Pool Balancing Authority Participants Relating To The Implementation Of The Southwest Power Pool Balancing Authority.”
- 2.04 **AREA CONTROL ERROR (ACE).** As defined in the NERC Glossary of Terms.
- 2.05 **AUTOMATIC GENERATION CONTROL (AGC).** As defined in the NERC Glossary of Terms.

- 2.06 **BALANCING AUTHORITY (BA).** As defined in the NERC Glossary of Terms.
- 2.07 **BA OPERATING PROTOCOLS.** The operating protocols entitled “BA Operating Protocols of the Participants and SPP” that are developed by the SPP BA, as may be amended from time to time, to describe in more detail the obligations of the Parties to implement this Agreement.
- 2.08 **BULK ELECTRIC SYSTEM.** As defined in the NERC Glossary of Terms.
- 2.09 **DYNAMIC SCHEDULE.** As defined in the NERC Glossary of Terms.
- 2.10 **EFFECTIVE DATE.** The effective date of this Agreement as specified in Section 16.2 of this Agreement.
- 2.11 **EIS AGREEMENT.** The “Agreement Between Southwest Power Pool, Inc. And Southwest Power Pool Balancing Authorities Relating To Implementation Of The EIS Market.”
- 2.12 **ERO.** The Electric Reliability Organization approved by FERC.
- 2.13 **ERO BALANCING AUTHORITY RELIABILITY STANDARDS.** Those reliability standards and requirements applicable to Balancing Authorities as those standards and requirements exist or are hereafter modified or adopted by the ERO.
- 2.14 **ERO RELIABILITY STANDARDS.** Standards developed by the ERO and approved by the Commission to ensure reliability of the Bulk Power System, violation of which may result in the imposition of mitigation programs or monetary penalties.
- 2.15 **FEDERAL POWER MARKETING AGENCY.** This term shall include the term “Federal Power Marketing Administration” and have the same definition that is set forth in the Federal Power Act at 16 U.S.C. § 796(19), which defines “Federal power marketing agency” as “any agency or instrumentality of the United States (other than the Tennessee Valley Authority) which sells electric energy[.]”
- 2.16 **FERC or the COMMISSION.** The Federal Energy Regulatory Commission or any successor agency.
- 2.17 **GENERATOR OPERATOR (GOP).** As defined in the NERC Glossary of Terms.
- 2.18 **GENERATOR OWNER (GO).** As defined in the NERC Glossary of Terms.
- 2.19 **GOOD UTILITY PRACTICE.** Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility 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 the acceptable practices, methods, or acts generally accepted in the region.

- 2.20 **GOVERNING DOCUMENTS.** The following documents as may be amended from time to time: (a) Southwest Power Pool, Inc. OATT; (b) Southwest Power Pool, Inc. Membership Agreement; (c) Southwest Power Pool, Inc. Bylaws; (d) Joint Operating Agreement Between the Midwest Independent Transmission System Operator, Inc. and Southwest Power Pool, Inc.; (e) Joint Operating Agreement Among And Between Southwest Power Pool, Inc. and Associated Electric Cooperative Inc.; and (f) any joint operating agreements or seams agreements executed by SPP after the filing of this Agreement with the FERC.
- 2.21 **INTEGRATED MARKETPLACE.** The Day-Ahead Market, the Real-Time Balancing Market, the Transmission Congestion Rights Market and the Reliability Unit Commitment processes.
- 2.22 **INTERCONNECTION.** The Eastern Interconnection as defined by the NERC Glossary of Terms.
- 2.23 **LOAD SERVING ENTITY (LSE).** As defined in the NERC Glossary of Terms.
- 2.24 **MARKET MONITOR.** The entity that is responsible for performing the monitoring and mitigation activities described in Attachments AF and AG to the SPP OATT.
- 2.25 **MARKET PARTICIPANT.** As defined in the SPP OATT.
- 2.26 **MEMBERSHIP AGREEMENT.** The Membership Agreement of the Southwest Power Pool, Inc., an Arkansas non-profit corporation.
- 2.27 **NET ACTUAL INTERCHANGE.** As defined in the NERC Glossary of Terms.
- 2.28 **NET SCHEDULED INTERCHANGE.** As defined in the NERC Glossary of Terms.
- 2.29 **NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION (NERC).** The North American Electric Reliability Corporation or its successor organization.
- 2.30 **OPEN ACCESS TRANSMISSION TARIFF (OATT).** FERC approved Pro-Forma Open Access Transmission Tariff.

- 2.31 **OPERATING COMMITTEE.** A committee comprised of one member from each of the Parties to this Agreement and which shall perform the duties identified in Section 18.4.
- 2.32 **PARTIES.** The SPP BA Participant and SPP that have executed this Agreement. SPP and SPP BA Participant may be individually referred to as a “Party.”
- 2.33 **PURCHASING AND SELLING ENTITY (PSE).** As defined in the NERC Glossary of Terms.
- 2.34 **RESOURCE PLAN.** A Market Participant’s plan to meet its energy obligations including specification of resource operating characteristics.
- 2.35 **SOUTHWEST POWER POOL (SPP).** Southwest Power Pool, Inc., or any successor organization, that is designated as the SPP BAA under this Agreement.
- 2.36 **SPP BALANCING AUTHORITY (SPP BA).** The responsible entity registered with the ERO as the BA, and that performs all the functions of the BA in the SPP BAA on behalf of the Parties to this Agreement.
- 2.37 **SPP BALANCING AUTHORITY AREA (SPP BAA).** The SPP BAA consists of the transmission system, load and generation resources interconnected to the SPP Transmission System, as defined under the SPP OATT, that: (a) function as a centrally coordinated system and (b) operate subject to the single set of dispatch instructions determined and issued by the SPP BA. The SPP BA maintains load-resource balance within its SPP BAA.
- 2.38 **SPP BA PARTICIPANT.** An operational entity, which is: (a) a Party to this Agreement, excluding SPP, and (b) shown in Appendix A to this Agreement. For purposes of this Agreement, an SPP BA Participant may have previously been registered as a BA under the EIS Agreement.
- 2.39 **SPP BA PARTICIPANT AREA.** The collection of generation, transmission, and loads that are within the metered boundaries of the SPP BA Participant.
- 2.40 **SPP CRITERIA.** SPP’s approved operating and planning criteria.
- 2.41 **TIE LINE.** As defined in the NERC Glossary of Terms.
- 2.42 **TRANSMISSION OPERATOR (TOP).** As defined in the NERC Glossary of Terms.
- 2.43 **TRANSMISSION OWNER (TO).** As defined in the NERC Glossary of Terms.
- 2.44 **WESTERN AREA POWER ADMINISTRATION-UPPER GREAT PLAINS REGION (“WESTERN-UGP”):** A division of the Western Area Power Administration that markets and transmits Federal power from reservoir projects

under the control of the Department of the Army or the U.S. Bureau of Reclamation. Western-UGP operates the WAUW Balancing Authority Area in the Western Interconnection, where certain of its transmission facilities are located and is also a Transmission Owner that has transferred Federal transmission facilities to the functional control of SPP.

- 2.45 **WESTERN INTERCONNECTION:** A major alternating current power grid in North America. The Western Interconnection stretches from Western Canada south to Baja California in Mexico, reaching eastward over the Rockies to the Great Plains. Western Interconnection is comprised of the states of Washington, Oregon, California, Idaho, Nevada, Utah, Arizona, Colorado, Wyoming, portions of Montana, South Dakota, Nebraska, New Mexico and Texas in the United States, the Provinces of British Columbia and Alberta in Canada, and a portion of the Comisión Federal de Electricidad's system in Baja California in Mexico.

3. GENERAL

- 3.1 **PURPOSE.** The purpose of this Agreement is to delineate the responsibilities between SPP, as the SPP BA, and the SPP BA Participants to establish the SPP BAA that facilitates the Integrated Marketplace to be implemented under the SPP OATT.
- 3.2 **OBLIGATIONS.** In carrying out obligations under this Agreement, SPP and the SPP BA Participants shall (a) follow Good Utility Practice, (b) comply with applicable policies, standards and requirements of the ERO Reliability Standards and SPP Criteria and their successors, and (c) follow applicable laws, regulations, and orders.
- 3.3. **REGISTRATION AND CERTIFICATION.** SPP shall be the SPP BA. The SPP BA will comply with the ERO's applicable BA registration and certification requirements. SPP BA Participants shall support those functions consistent with the tasks and responsibilities assigned under this Agreement.
- 3.4. **RELATIONSHIP TO MEMBERSHIP AGREEMENT.** Nothing in this Agreement shall be construed or intended to cause or effect a modification to the Membership Agreement. This Agreement is intended to be separate from the Membership Agreement. All rights and obligations currently existing under the Membership Agreement remain.
- 3.5 **RELATIONSHIP TO EIS AGREEMENT.** This Agreement shall supersede the EIS Agreement upon the effective date specified in the Agreement; provided, however, this shall not eliminate any rights or obligations relating to prior actions, which shall survive the EIS Agreement including, but not limited to, rights or obligations arising under the following provisions: (a) indemnification; (b) waivers of liability; (c) no agreement to jurisdiction; (d) default; (e) cost recovery; and (f) obligations upon termination by entities that terminated their participation in the EIS Agreement without executing this Agreement. Notwithstanding the foregoing in this Section 3.5, the SPP and the SPP BA Participants shall maintain

the functionality necessary to comply with the EIS Agreement for a transition period after Integrated Marketplace start-up as determined by the Operating Committee.

4. SPP RESPONSIBILITIES.

4.1 SPP BA. SPP shall perform all tasks necessary to fulfill the role as the SPP BA, including adherence to all applicable ERO BA Reliability Standards and requirements except as delineated in Section 5 of this Agreement.

4.2 SPP NORMAL OPERATIONS

4.2.1 SPP shall be responsible for the identification of its critical assets and related critical cyber assets necessary to support reliable operation of the Bulk Electric System. SPP shall have no responsibility to identify critical assets or related critical cyber assets of any SPP BA Participant.

4.2.2 SPP shall be responsible for maintaining its internal telecommunications facilities in an adequate and reliable manner for the exchange of interconnection and operating information necessary to maintain reliability within its respective scope of operations. SPP shall have no responsibility for maintaining any SPP BA Participant's internal telecommunications facilities for the exchange of interconnection and operating information of any SPP BA Participant.

5. SPP BA PARTICIPANT RESPONSIBILITIES

5.1 TIE LINE METERING AND TELEMETRY. Each SPP BA Participant that has or is taking actions to have, one or more Tie Line(s) with an Adjacent Balancing Authority shall have, or cause to have, the Tie Line metering and telemetry responsibilities as set forth in this Section 5.1.

5.1.1 Each SPP BA Participant having one or more Tie Line(s) with an Adjacent Balancing Authority shall provide all Tie Line flows to the SPP BA.

5.1.1.1 Each SPP BA Participant shall ensure that the Tie Line megawatt (MW) metering is telemetered to the SPP control center.

Such SPP BA Participant shall maintain and provide to SPP suitable documentation (i.e. prints, equipment specifications, records) that verifies Tie Line MW metering physical location and actual metering point

The SPP BA Participant shall operate such that the MW-hour data is telemetered or reported to the SPP BA at the end of each hour.

5.1.1.2 Each SPP BA Participant shall ensure the power flow measurements transmitted to SPP from the Tie Line meters are not filtered prior to transmission, except anti-aliasing Filters of Tie Lines.

- 5.1.1.3 Each SPP BA Participant shall ensure the installation of common metering equipment where Dynamic Schedules or pseudo-ties are implemented between SPP and an Adjacent Balancing Authority where applicable to account for the delivery of the output of units located external to the SPP BAA or to serve remote load physically external to the SPP BAA.
- 5.1.1.4 Each SPP BA Participant shall operate such that its sampling rate of data is compatible with the SPP's sampling rate of data, as specified by SPP.
- 5.1.1.5 Each SPP BA Participant shall provide SPP an inventory of all Tie Line(s) with Adjacent Balancing Authority(ies), including maps, prints, electrical drawings and diagrams, equipment descriptions as requested by SPP.
- 5.1.1.6 The SPP BA Participant shall timely inform SPP of any modifications, changes, status, and operability of the Tie Line metering equipment.
- 5.1.1.7 SPP and SPP BA Participant shall agree on the specific Tie Line (including pseudo ties), surrounding the SPP BAA.
- 5.1.1.8 Each SPP BA Participant shall maintain, re-calibrate and otherwise insure proper operation and accuracy of the Tie Line metering equipment at a frequency determined by SPP and documented in applicable SPP policies, procedures, and/or documents. Documents verifying such actions shall be provided to SPP as requested by SPP.
- 5.1.1.9 If SPP suspects inaccuracies or malfunction of Tie Line metering, SPP shall inform the SPP BA Participant. The SPP BA Participant shall take action necessary to verify timely Tie Line metering equipment accuracy and/or performance of the suspect Tie Line metering and take actions to restore data accuracy.
- 5.1.2 The addition of a Party or the withdrawal of a Party may result in the designation of an existing line as a Tie Line with an Adjacent Balancing Authority or result in an existing Tie Line with an Adjacent Balancing Authority to be no longer a Tie Line. If either event should occur, SPP shall so notify the affected SPP BA Participant. SPP and the impacted Party(ies) shall determine actions to be taken by SPP and/or the Party(ies) to conform to this Agreement in a timely manner.
- 5.2 FREQUENCY MEASUREMENTS. As may be reasonably requested by SPP, SPP BA Participants may be requested to supply SPP with frequency measurements from locations agreed to by the Parties. SPP BA Participants that are designated to provide frequency measurements to SPP shall provide accurate frequency measurements from these location(s) with measurement quality

indication.

SPP BA Participants shall perform annually, against a common reference, checks and calibrations of its time error and frequency devices used to supply SPP with data used by SPP to perform BA functions (“Actions”). For purposes of this section, “annually” shall mean “within a calendar year, with the calendar year beginning on January 1 and ending on December 31;” however, the period between subsequent annual checks and calibrations under this section shall not exceed fifteen (15) months. Documents verifying such Actions shall be provided to SPP BA as requested by SPP.

6. IMPLEMENTATION OF EMERGENCY OPERATING PLANS

6.1 SPP and each SPP BA Participant shall coordinate preparation and implementation of respective emergency operating plans. This coordination shall include, but not be limited to,

6.1.1 SPP BA Participant actions to interruption of load and/or exports as directed by SPP associated with capacity deficiencies; and,

6.1.2 SPP BA Participant actions to implement public appeals, voltage reductions, curtailment of interruptible and/or firm load as directed by SPP associated with capacity deficiencies.

7. BA OPERATING PROTOCOLS AND SPECIFIC ERO REQUIREMENT ASSIGNMENT

7.1 INITIAL ASSIGNMENT OF TASKS. Sections 4 and 5 of this Agreement set forth the tasks and responsibilities of the Parties to establish the single BA for the SPP BAA.

7.2 NEW OR MODIFIED RESPONSIBILITIES. When new and/or modified applicable responsibilities are required including those that might be initiated by the ERO, the Parties will negotiate in good faith to determine whether SPP and/or the SPP BA Participants shall ensure the performance of the new or modified responsibilities, and will amend this Agreement accordingly, pursuant to Section 17.4.

7.3 BA OPERATING PROTOCOLS. The SPP BA shall develop and maintain BA Operating Protocols that provide for operational requirements under this Agreement.

8. DATA EXCHANGE

8.1 PARTIES’ DATA EXCHANGE. Each SPP BA Participant and SPP shall provide the information and data that a Party reasonably believes it needs and

requests in order to carry out its responsibilities under this Agreement.

8.2 **CONFIDENTIALITY.** All data provided under this Section shall be considered information subject to the confidentiality provisions of Section 13 herein.

9. SPP BA PARTICIPANT COST RESPONSIBILITY. Each SPP BA Participant shall be responsible for all costs incurred by it to implement the provisions of this Agreement.

10. SANCTIONS, INQUIRIES AND ALLOWED ACTIONS

10.1 **SANCTIONS.** In the event the ERO assesses a monetary penalty against SPP as the Registered Entity BA for a violation of a Reliability Standard, SPP shall seek to recover the costs associated with the sanctions and/or monetary penalties pursuant to Attachment AP of the SPP OATT. For purposes of clarification, the term “Transmission Provider” as contained in Attachment AP shall mean SPP and the term “Member” in Attachment AP shall mean SPP BA Participants under this Agreement.

10.2 **INQUIRIES.** To the extent an SPP BA Participant’s actions implementing SPP actions or directives pursuant to this Agreement are questioned, investigated or sanctioned by the ERO, the Market Monitor, or by an applicable regulatory agency, SPP shall aid the SPP BA Participant in responding to the inquiry, investigation, or sanctions.

10.3 **ALLOWED ACTIONS.** To the extent that the ERO, FERC or applicable regulatory agency determines that an SPP BA Participant’s actions taken pursuant to this Agreement were inappropriate, SPP shall not require the SPP BA Participant to take such actions in the future. If the ERO, FERC or applicable regulatory agency requires that an SPP BA Participant take action inconsistent with this Agreement, SPP will allow such actions.

11. LIMITATIONS ON SPP ACTIONS

11.1 **GOVERNING DOCUMENTS.** Without limiting the generality of obligations provided in Section 3.2, SPP shall not issue any orders to any Party pursuant to this Agreement or take any action pursuant to this Agreement that SPP knows or should know is not in accordance with the Governing Documents.

11.2 **APPLICABLE LAWS.** SPP shall not issue any order to any other Party pursuant to this Agreement or take any action pursuant to this Agreement that SPP knows or should have known would cause a violation of applicable laws or tariffs.

12. INDEMNIFICATION, LIABILITIES, INSURANCE

12.1 **INDEMNIFICATION FOR THIRD PARTY CLAIMS.** Subject to Sections 12.1.1 and 12.1.2 hereof, each Party shall at all times indemnify, defend, and save harmless each other Party to this Agreement and its officers, shareholders, directors, agents, contractors, employees, and members (*i.e.*, cooperative members and municipal joint action agency members) from and against any and all damages, losses, claims,

including without limitation claims and actions relating to injury to, or death of, any person, or damage to property, demands, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties or other Parties (each, a "Claim"), but only to the extent caused by the Indemnifying Party's (as defined below) acts or omissions during performance of its obligations under this Agreement. The term Claim shall not include civil penalties, fines, assessments or any other charges levied against a Party and recovered pursuant to Section 10 of this Agreement.

12.1.1 SOVEREIGN IMMUNITY. Notwithstanding anything to the contrary in this Agreement, no Party which has been granted sovereign tort immunity under applicable law shall have any indemnification obligation in connection with any Claim that would be subject to such immunity if brought against that Party, and nothing contained in this Agreement shall be construed as a waiver by any Party of its sovereign tort immunity.

12.1.2 NOTICE. Upon obtaining knowledge of any Claim, a Party with a right to be indemnified ("Indemnified Party") shall promptly notify each Party who has an obligation to indemnify ("Indemnifying Party") in writing of such Claim, provided however, that failure of the Indemnified Party timely to give notice to the Indemnifying Party shall not release the Indemnifying Party from its indemnity obligations set forth in this Agreement except to the extent that the Indemnifying Party has been actually prejudiced by such failure. Following receipt of such notice, and unless counsel to the Indemnified Party shall have determined in good faith that the assumption of such defense by the Indemnifying Party would be inappropriate due to a conflict of interest, the Indemnifying Party shall have the option, at its cost and expense, to assume the defense of such matter and to retain counsel (not reasonably objected to by the Indemnified Party) to defend any such Claim, and the Indemnifying Party shall not be liable to the Indemnified Party for any fees of other counsel or any other expenses (except as expressly provided to the contrary herein) with respect to the defense of such Claim, other than reasonable fees and expenses of counsel employed by the Indemnified Party for any period during which the Indemnifying Party has not assumed the defense thereof. The Indemnified Party shall have the option of joining the defense of such Claim with its own counsel (which shall be at the sole cost and expense of the Indemnified Party) and counsel for each of the Indemnified and Indemnifying Party shall cooperate with each other to the extent consistent with such counsel's professional responsibilities. In effecting the settlement or compromise of, or consenting to the entry of any judgment with respect to, any such Claim ("Settlement"), the Indemnifying Party, or the Indemnified Party, as the case may be, shall act in good faith and shall consult with the other Party. The Indemnified Party shall enter into only such Settlement as the Indemnifying Party shall consent to, such prior written consent not to be unreasonably withheld, conditioned or delayed. An Indemnifying Party shall not be liable for any Settlement not made in accordance with the preceding sentence. An Indemnifying Party shall notify the Indemnified Party reasonably in advance of entering into any Settlement of a Claim for which the Indemnifying Party has

assumed the defense, and shall obtain the Indemnified Party's prior written consent thereto, not to be unreasonably withheld, conditioned or delayed, if such Settlement (i) imposes any obligation on the Indemnified Party other than, or in addition to, an obligation to pay money which the Indemnifying Party has assumed, (ii) involves any admission of wrongdoing, fault or liability on behalf of the Indemnified Party, whether express or implied, or (iii) does not fully and unconditionally release the Indemnified Party from all liability in connection with such Claim, which release shall be in form and substance reasonably satisfactory to the Indemnified Party.

12.1.3 NOTICE TO OTHER PARTIES. In the event an Indemnified Party provides notice to an Indemnifying Party pursuant to Section 12.1.2, an Indemnifying Party shall timely provide all other Parties the same notice the Indemnifying Party receives from the Indemnified Party.

12.1.4 WESTERN-UGP REQUIREMENTS. Section 12.1 does not apply to Western-UGP pursuant to the Antideficiency Act, 31 U.S.C. § 1341, et seq., as amended or supplemented. Western-UGP's liability is determined in accordance with the Federal Tort Claims Act, 28. U.S.C. § 1346(b), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.

12.2 LIABILITY LIMITATION FOR INTER-PARTY CLAIMS. No Party shall be liable to the SPP for any damages whatsoever, including, without limitation, direct, indirect, incidental, special, multiple, consequential (including without limitation attorneys' fees and litigation costs), exemplary, or punitive damages arising out of or resulting from any act or omission in any way associated with the performance of the Party's responsibilities under this Agreement, except to the extent, and only to the extent, that the Party is found liable for gross negligence or intentional misconduct, in which case the Party shall not be liable for any indirect, incidental, special, multiple, consequential (including without limitation attorneys' fees and litigation costs), exemplary or punitive damages. The SPP shall not be liable to any Party for any indirect, incidental, special, multiple, consequential (including without limitation attorneys' fees and litigation costs), exemplary or punitive damages.

12.3 INSURANCE. Each Party shall be self-insured and/or obtain adequate insurance coverage to cover liabilities, if any, under this Agreement to be effective as of the effective date of this Agreement.

13. STANDARDS OF CONDUCT, INFORMATION SHARING, CONFIDENTIALITY

13.1 SPP BA PARTICIPANTS. This Agreement does not require any SPP BA Participant to separate SPP BA Participant personnel from marketing personnel; nor does this Agreement waive any requirement of the Commission's Standards of Conduct or exempt any public utility SPP BA Participant from the Standards of Conduct. This Section 13.1 applies to both the public utility SPP BA Participants and the non-public utility SPP BA Participants that are signatories to this Agreement.

13.1.1 In general, personnel of an SPP BA Participant performing functions under this Agreement shall keep all information received from SPP or other entities relating to its performance under this Agreement confidential and shall not disclose such information to Market Participants (including marketing personnel that are part of the same company as the SPP BA Participant) or entities which it reasonably believes may become Market Participants. Notwithstanding the foregoing, and subject to subparagraph 13.1.2(b) below, an SPP BA Participant with personnel who perform both SPP BA Participant and market functions may disclose information received from the SPP or other entities to its personnel.

13.1.2 SPP shall have the right to limit the sharing of market sensitive information related to non-affiliated Market Participants to an SPP BA Participant with personnel who perform both functions under this agreement and market functions; except when:

- (a) no other Market Participant under the Integrated Marketplace with registered resource(s) controls generation connected to a Party's facilities, or
- (b) the SPP BA Participant is a signatory to the NERC Confidentiality Agreement for Electric System Operating Reliability Data and Annex 1 thereto (Limited Operating Reliability Data Agreement for Small Bundled Entities). Each SPP BA Participant with personnel performing such dual functions shall notify SPP of that fact, and, to the extent permitted by law, the SPP BA Participant shall not disclose confidential information to third party Market Participants or third parties which it reasonably believes may become Market Participants.

13.1.3 Notwithstanding the above, SPP shall provide, to the extent necessary, information to allow the SPP BA Participant to perform its functions under this Agreement and to comply with ERO and regional reliability requirements.

13.1.4 There shall be no requirement to keep information confidential if such information is in the public domain or subject to open records laws. In

addition, if the ERO requires that the SPP BA Participant provide information required to be confidential under this provision, the SPP BA Participant may provide such information to the requesting entity, provided that the SPP BA Participant shall make a good faith attempt to maintain the confidentiality of the information, notwithstanding the information request, and provided further that, in the case of a request by a state regulatory agency for confidential information, the SPP BA Participant may provide confidential information to such state regulatory agency as necessary to satisfy state regulatory responsibilities and, subject to applicable law, only to the extent that the state regulatory agency executes a non-disclosure agreement.

- 13.2 SOUTHWEST POWER POOL. SPP, its directors, officers, employees, contractors, and agents shall adhere to the SPP Standards of Conduct with regard to all activities related to this Agreement.

14. DISPUTE RESOLUTION

- 14.1 GENERAL. These procedures are established for the equitable, efficient and expeditious resolution of disputes consistent with SPP's Bylaws. These procedures are intended to cover disputes between any two or more SPP BA Participants, or between SPP and any SPP BA Participant(s). SPP and SPP BA Participant(s) are strongly encouraged to take part in the complete process herein described prior to litigation or the utilization of other dispute resolution processes. SPP administrative involvement in the proceeding is to coordinate with an appropriate firm or panel to facilitate the resolution of the dispute and to provide meeting coordination and facilities. These procedures do not apply to disputes that are covered by the dispute resolution procedures of the SPP OATT.
- 14.2 INSTIGATION. Any SPP BA Participant may begin these dispute resolution procedures by notifying the SPP President in writing. The SPP President will inform the SPP Board of Directors of the initiation of any dispute resolution proceedings. This written notification must contain the authorized signatures of all Parties to the dispute. The notification must contain: (a) a statement of the issues in dispute; (b) the positions of each of the Parties relating to each of the issues; (c) the specific dispute resolution procedure desired; and (d) any agreed-upon modifications or specific additions to the proceedings described in this Agreement by which the dispute may be resolved.
- 14.3 DISPUTE RESOLUTION PROCESS.
- 14.3.1 In the event SPP is a party to the dispute, the parties shall engage a firm specializing in alternative dispute resolution to administer the dispute resolution process. The firm will be mutually determined by the parties and the process will be administered in accordance with this Agreement and such other SPP governing documents as may be relevant to the proceeding. In the event the parties cannot mutually agree to the engagement of a firm, the dispute resolution process will be

abandoned and other available means for resolution will be pursued.

14.3.2 In the event SPP is not a party to the dispute, the parties to the dispute may engage a firm specializing in alternative dispute resolution to administer the dispute resolution process. The firm will be mutually determined by the parties and the process will be administered in accordance with this Agreement and such other SPP governing documents as may be relevant to the proceeding. In the event the parties cannot mutually agree to the engagement of a firm, and do not determine some other mutually acceptable procedure, the President of SPP shall provide to each party to the dispute a list of candidates to be used in forming a three-person dispute resolution panel. The candidates shall be persons meeting the requirements for the SPP Board of Directors. The President shall then call a telephone conference meeting during which each party shall alternate striking names from the list until those remaining constitute the dispute resolution panel. This panel shall select a chair from its membership. Should any candidate decline to serve or resign from a current appointment for any reason, the candidate whose name was last struck from the list shall be contacted to serve. The President shall assign a Staff representative to assist the panel as secretary. The President shall manage the panel selection process to ensure its timely completion.

14.4 RESOLUTION PROCEDURES. The types of proceedings available for the resolution of disputes are:

- (a) an advisory proceeding to assist each party through discussion and advice, on a separate and individual basis without active participation in the joint discussions and negotiations, to resolve the dispute informally by mutual agreement;
- (b) a mediation proceeding to assist the parties through active participation in the joint discussions and negotiations (including specific recommendations of the issues in dispute) through which the parties indirectly attempt to resolve the dispute informally by mutual agreement;
- (c) a non-binding dispute resolution proceeding to hear formal evidence on factual matters related to the issues submitted, make written findings and conclusions of fact, and issue specific written recommendations for resolution of each issue in dispute;
- (d) a binding dispute resolution proceeding, provided the parties to the dispute agree to the proceeding, to hear formal evidence on factual matters related to the issues submitted, make written findings and conclusions of fact, and issue directives and awards for resolution of each issue in dispute.

The panel chair or representatives of the alternative dispute resolution firm (the "Facilitator") shall determine meeting arrangements and format necessary to efficiently expedite the resolution of the dispute, and the SPP staff secretary shall notify the parties of these details. Each party to the dispute must have at least one representative present at all related meetings with full authority to resolve the

dispute. Upon conclusion of this process, the Facilitator shall notify the SPP President of its outcome. After consultation with the parties to the dispute and the Facilitator to determine the completion of the process as described herein, and/or as modified by the parties, the SPP President shall discharge the panel or firm, and notify the SPP Board of Directors of the results. The parties to the dispute agree to complete the process within 90 days from selection of the panel or firm. The SPP staff secretary shall maintain minutes of the panel meetings, which shall become part of SPP's historical records.

- 14.5 **EXPENSES.** The parties to the dispute shall share equally all reasonable charges for the meeting location, administrative costs, and related travel expenses of panel members. The parties to the dispute shall also share equally all reasonable compensation for time and service of panel members and related incremental expenses of the SPP staff. The President shall determine reasonableness of time and service costs for panel members prior to process implementation. The SPP staff secretary shall account for these expenses. Each party to the dispute shall be responsible for their respective associated expenses.
- 14.6 **LIABILITY.** The parties to any dispute which is the subject of these dispute resolution procedures shall hold harmless SPP, its Members, Organizational Groups and each of their directors, officers, agents, employees or other representatives, and the panel members from any liabilities, claims, or damages resulting from any agreement or lack of agreement as a result of the dispute resolution proceedings. The foregoing hold harmless right shall not be extended to the parties to any given dispute or to their directors, officers, agents, employees, or other representatives.

15. NON-PERFORMANCE AND DEFAULT

- 15.1 **NON-PERFORMANCE.** Except as provided in Section 18.9, any failure to carry out any term of this Agreement shall be considered non-performance. A Party alleging non-performance shall provide written notice of such non-performance within seven calendar days to the alleged non-performing Party. The alleged non-performing Party then shall have seven calendar days (or some other time period agreed to by the Parties) to correct the non-performance or to dispute the non-performance pursuant to the provisions of Section 14. Each Party shall designate a person to receive notice and provide such designation to the other Parties.
- 15.2 **DEFAULT.** If a Party fails to correct the non-performance or fails to dispute the allegation of non-performance as provided in Section 14, or the Party is found to be a non-performing Party through the dispute resolution provisions in Section 14 and fails to take adequate corrective action, then the Party shall be considered to be in Default.
- 15.3 **REMEDY FOR DEFAULT.** One or more Parties, individually or collectively, may seek appropriate remedies in court, including, but not limited to, specific

performance and equitable relief, in the event of a Default by another Party.

16. TERM, TERMINATION, EFFECTIVENESS, WITHDRAWAL

- 16.1 **EFFECTIVE DATE AND TERM.** This Agreement shall commence on the Effective Date of this Agreement as provided in Section 16.2. This Agreement shall remain in effect for two (2) years from the Effective Date and shall remain in effect from year to year thereafter unless either: (a) SPP or (b) three-fourths of the SPP BA Participants then subject to this Agreement give one year advance notice in writing that they wish to terminate this Agreement. Termination of this Agreement is subject to approval by a regulatory agency with proper jurisdiction, including, but not limited to, FERC.
- 16.2 **DETERMINATION AND LIMIT OF EFFECTIVENESS.** The Agreement shall become effective on the date the Integrated Marketplace begins operations provided that the following events have occurred: (a) the ERO has certified, including on a conditional basis, that SPP can begin operations as the BA of the SPP BAA to comply with the ERO Balancing Authority Reliability Standards; (b) FERC accepts or approves the Agreement; and (c) any modifications ordered by FERC are accepted consistent with Sections 17.2 and 17.4 of this Agreement.
- 16.3 **FILING.** SPP has concluded that this Agreement must be filed with FERC under the Federal Power Act and its implementing regulations. Should FERC require any modification to this Agreement that adversely affects the rights or obligations of a Party, the Party may withdraw its participation in this Agreement consistent with the provisions of Section 16.5.
- 16.4 **TERMINATION BY SPP.** In the event SPP gives notice to terminate this Agreement, such termination shall not be effective until suitable arrangements for the provisions of its BA responsibilities are in place. Suitability of the arrangements will be determined by the BA Committee.
- 16.5 **WITHDRAWAL.** An SPP BA Participant may withdraw from this Agreement if: (a) the SPP BA Participant or entity of which SPP BA Participant is a part withdraws from SPP membership under the withdrawal provisions of the Membership Agreement; or (b) the SPP BA Participant or the entity of which SPP BA Participant is a part removes its transmission facilities from the SPP OATT subject to any applicable regulatory requirements; or (c) the SPP BA Participant unilaterally terminates its participation in the Agreement in its sole discretion. The SPP BA Participant shall provide at least one hundred eighty (180) days notice (or shorter time period if required by a regulatory authority with jurisdiction, or by law, or as agreed to by SPP) to SPP of such withdrawal, which withdrawal may not be effective any earlier than the date upon which the applicable conditions set forth in Section 16.5 are fully satisfied.
- 16.6 **CONTINUING OBLIGATIONS.** An SPP BA Participant and SPP shall be subject to the rights and responsibilities under this Agreement for any actions or inactions occurring prior to the effective date of the SPP BA Participants

withdrawal or termination of this Agreement.

- 16.7 **SURVIVABILITY.** The provisions of this Agreement related to any indemnification obligation or any continuing obligation under Section 16 shall survive the termination of this Agreement under Section 16 or the withdrawal of a Party under Section 16 to the full extent necessary for their enforcement and the protection of the Party in whose favor they run with regard to actions or inactions occurring prior to the effective date of the termination or withdrawal, except that in the case of withdrawal of an SPP BA Participant, no action or claim against that Participant related to this Agreement shall commence more than three years from the effective date of the withdrawal.

17. MODIFICATIONS AND AMENDMENTS

- 17.1 **RESERVED.**

- 17.2 **OTHER MODIFICATIONS OR CONDITIONS.** Except as provided in Section 17.4, the Parties intend that there will be no other modifications or conditions to this Agreement absent the agreement of the Parties. Notwithstanding anything to the contrary in this Agreement, in the event of any changes in ERO, Commission, Regional Entity, or Integrated Marketplace requirements, which materially affect this Agreement, the Parties will negotiate in good faith appropriate changes to this Agreement and will make written modifications hereto. If the Parties do not mutually agree to such changes in writing, then they will refer the issues to dispute resolution under Section 14.

- 17.3 **MOBILE-SIERRA STANDARD.** Absent a filing with the Commission to reflect the agreement of the Parties as detailed in Section 17.4, the standard of review for changes or conditions to this Agreement proposed by a Party shall be the “public interest” standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956) (the “*Mobile-Sierra*” doctrine). Notwithstanding the foregoing in this Section 17.3, if the Commission changes its policy (in existence at the time of execution) and imposes a standard different than the Mobile-Sierra presumption set forth in this provision, then the Parties shall modify this Agreement to reflect the new standard. Any changes to this Agreement shall be prospective only. The Commission’s action on the initial filing of this Agreement shall be under the just and reasonable standard.

- 17.4 **VOTING FOR ACCEPTANCE OF MODIFICATIONS OR CONDITIONS.** This Agreement may be modified or conditioned only by at least a two-thirds affirmative vote of the SPP BA Participants (each SPP BA Participant receiving one vote regardless of size) with the assent of SPP; provided, however, no such modification or condition may be imposed on a Party that does not agree to the modification or condition to the extent that the modification or condition will cause the Party to no longer be in compliance with ERO or Regional Entity requirements. SPP shall file with the Commission any modifications to this Agreement resulting from this Section 17.4, which filing will be subject to the just

and reasonable standard of review. Once the Commission accepts such modifications, then such modifications shall be considered as being part of this Agreement and all applicable terms of the Agreement, including Section 17.3, shall apply to the modifications.

18. MISCELLANEOUS PROVISIONS

- 18.1 **ASSIGNMENT.** Each SPP BA Participant may assign its rights and obligations under this Agreement to another entity subject to receiving the approval of SPP; such approval shall not be unreasonably withheld.
- 18.2 **NO AGREEMENT TO JURISDICTION.** By entering into this Agreement, which shall be filed with the Commission and notwithstanding any provision in this Agreement, the SPP BA Participants are not in any way agreeing individually or collectively that their activities under this Agreement are subject to Commission jurisdiction. In addition, nothing in this Agreement shall be construed (a) to confer Commission jurisdiction over SPP BA Participants that are not public utilities as defined by the Federal Power Act, or (b) as a consent or waiver with respect to such jurisdiction, or (c) to cause a non-public utility to take any action or participate in any filing or appeal that would confer Commission jurisdiction over a non-public utility or require a non-public utility to comply with any Order or Rule issued by the Commission. A Party's actions, decisions, and performance under this Agreement, including without limitation the exercise of its rights to withdraw from or terminate this Agreement, shall not be subject to Commission approval.
- 18.3 **RESERVATION OF RIGHTS.** Nothing in this Agreement shall affect a Party's rights to argue issues that are not resolved pursuant to this Agreement in proceedings at the Commission and in the courts.
- 18.4 **OPERATING COMMITTEE.** As soon as practicable after the Effective Date, the SPP BA Participants shall form an Operating Committee. The function of the Operating Committee shall be: (a) to review performance under this Agreement, (b) to discuss issues that may arise related to such performance, (c) to review BA Operating Protocols, and, (d) if necessary or advisable, to propose amendments to this Agreement for the Parties' consideration and/or vote pursuant to Section 17.4. The Operating Committee shall be comprised of a member and an alternate for each SPP BA Participant, who has authority to bind the respective SPP BA Participant. The Operating Committee shall meet at least once each year on dates to be determined by SPP after consultation with the committee members. SPP shall facilitate such meetings and shall give reasonable written notice thereof to all Parties. At its first meeting, the Operating Committee shall, with the approval of at least two thirds of the Parties, establish procedures to govern its actions consistent with the terms of this Agreement.
- 18.5 **CONSOLIDATION OF PARTICIPANTS.** The Parties agree that any consolidations of SPP BA Participants shall be accommodated under this Agreement. This Agreement shall not be construed as inhibiting the

consolidation of Participant Areas.

- 18.6 **ADDITIONAL BALANCING AUTHORITIES.** The Parties agree that any ERO certified BA or other entity that is not a signatory to this Agreement may become a signatory to this Agreement, subject to SPP approval, so long as the BA or other entity agrees to be bound by the provisions of this Agreement as an SPP BA Participant within the SPP BAA and ceases to be a BA.
- 18.7 **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of Arkansas, except to the extent preempted by Federal law applicable to a Federal Power Marketing Agency in a dispute involving such Party.

18.7.1 **Compliance with Federal or State Law.**

Notwithstanding any other provision of this Agreement, a non-jurisdictional SPP BA Participant shall not be required to take any action or do any other thing with respect to rates, charges, terms or conditions of service, the resolution of disputes under this Agreement or any other matter regarding its obligations and performance under this Agreement, that (i) the non-jurisdictional SPP BA Participant is not permitted by state law, or Federal law in the case of a Federal Power Marketing Agency, to undertake or that is prohibited in whole or in part by any Federal or state law or regulation applicable to the non-jurisdictional SPP BA Participant; or (ii) would require the non-jurisdictional SPP BA Participant to violate a provision of such state law, or Federal law in the case of a Federal Power Marketing Agency, or regulation in order to comply with this Agreement. Determination of compliance with and permissible action, conduct or obligations by a non-jurisdictional SPP BA Participant shall be within the sole jurisdiction of the non-jurisdictional SPP BA Participant's governing board, or in a dispute involving a Federal Power Marketing Agency, the Administrator of the Federal Power Marketing Agency, subject to applicable Federal or state court review. A non-jurisdictional SPP BA Participant shall not object to SPP's participation in any state proceedings that impact the non-jurisdictional SPP BA Participant's ability to perform under this Agreement or determinations regarding such impact. To the extent possible without violating state law, or Federal law in the case of a Federal Power Marketing Agency, a non-jurisdictional SPP BA Participant shall notify SPP in advance of any action that the non-jurisdictional SPP BA Participant is required to take that the non-jurisdictional SPP BA Participant believes would constitute a violation of state law, or Federal law in the case of a Federal Power Marketing Agency, and the non-jurisdictional SPP BA Participant and SPP promptly shall meet and confer regarding the matter. As necessary, the non-jurisdictional SPP BA Participant and SPP agree to negotiate in good faith to modify the Agreement as consistent as possible with the original intent to allow SPP to exercise operational authority over the non-jurisdictional SPP BA

Participant's Tariff Facilities as otherwise provided in the Agreement. If the non-jurisdictional SPP BA Participant and SPP are unable to resolve the matter, the non-jurisdictional SPP BA Participant may terminate this Agreement pursuant to the withdrawal provisions of the Agreement.

18.7.2 Termination on Less Than Required Notice.

SPP BA Participant may terminate this Agreement with less than the required notice, in the event that the state law, or Federal law in the case of a Federal Power Marketing Agency, governing SPP BA Participant changes, or any provisions of this Agreement are changed or modified in a manner that causes a conflict with the SPP BA Participant's Federal or state law, regulations, or rate schedules, and the internal dispute resolution process described in Section 12 of the OATT is unable to resolve such conflict. In such event, SPP BA Participant and SPP shall meet and confer to facilitate the withdrawal as soon as practicable as necessary to ensure compliance with applicable Federal or state law.

18.7.3 Operational Authority.

A non-jurisdictional SPP BA Participant reserves the right to exercise operational authority over its tariff facilities (1) to protect public safety and the safety of its workers, to prevent damage to equipment, and to preserve reliability in compliance with NERC standards, and (2) as necessary to preserve a non-jurisdictional SPP BA Participant's rights, duties and obligations regarding electric service to its retail and wholesale native load customers pursuant to its state law, or Federal law in the case of a Federal Power Marketing Agency, and consistent with NERC standards, if SPP's exercise of operational authority over the tariff facilities would endanger said electric service or is contrary to or would curtail, surrender or delegate such state law rights, duties and obligations. A non-jurisdictional SPP BA Participant will, as soon as reasonably practicable thereafter, notify SPP of such actions taken by a non-jurisdictional SPP BA Participant. A non-jurisdictional SPP BA Participant and SPP will meet and confer regarding the matter and, as necessary, negotiate in good faith to modify the Agreement to address the matter.

18.8 COMPLETE AGREEMENT. This Agreement shall constitute the complete agreement of the Parties on the subject matters covered herein.

18.9 FORCE MAJEURE. No Party shall be considered to be in breach of this Agreement to the extent that a failure to perform its obligations, other than a payment obligation, is due to an "Uncontrollable Force." The term "Uncontrollable Force" means an event or circumstance which prevents one Party from performing its obligations, which event or circumstance is not within the reasonable control of, or the result of the negligence or intentional wrongdoing of, the claiming Party, and which by the exercise of due diligence, or Good Utility

Practice, the claiming Party is unable to avoid, cause to be avoided, or overcome. Any Party rendered unable to fulfill any of its obligations by reason of an Uncontrollable Force shall give immediate notice of such fact to the other Parties and shall exercise due diligence to remove such inability within a reasonable time period. If a Party is unable to perform actions under this Agreement due to the actions of an independent third party (e.g. not a consultant or affiliate of the Party), that shall be considered an Uncontrollable Force. However, a Party whose performance under this Agreement is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Agreement.

- 18.10 NO AGENCY RELATIONSHIP. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between or among the Parties, or any of the Parties, or to impose any partnership obligation or partnership liability upon any of the Parties. No Party shall have any right, power, or authority to enter into any agreement or undertaking for, or act on behalf of, or act as, or be, an agent or representative of, or otherwise bind, any other Party. Responsibilities undertaken or transferred to a Party shall be independently performed by that Party.
- 18.11 REPRESENTATIONS AND WARRANTIES. Each Party warrants that it possesses the necessary authority to enter into and agree to this Agreement.
- 18.12 EXECUTION BY COUNTERPARTS. This Agreement may be executed in any number of counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument as if all Parties had signed the same instrument.
- 18.13 NO THIRD PARTY BENEFICIARIES. Except as otherwise provided herein, this Agreement is not intended to, and does not create, any 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.
- 18.14 NO MARKET PARTICIPANT. The performance of functions described in this Agreement shall not cause a Party to become a Market Participant.
- 18.15 NOTICE. Each Party shall designate an individual to receive notice under this Agreement by providing the individual's name, address, phone number, and email address to the Operating Committee. The Operating Committee shall maintain the list of individuals to receive notice. It shall be the responsibility of each individual Party to update its notice information when necessary.
- 18.16. ACCESS TO BOOKS AND RECORDS.
 - 18.16.1 Upon request, SPP shall provide SPP BA Participant with access to the SPP BA's books, records, facilities, and procedures required of the BA under the ERO Reliability Standards which are reasonably necessary to determine SPP's compliance with this Agreement

and/or to support the SPP BA Participant's compliance with applicable ERO Reliability Standards in the SPP BA Participant's registered roles as TO, TOP, GO, GOP, LSE, and/or PSE. Such access shall be upon reasonable notice, at reasonable times, and under reasonable conditions.

18.16.2 Upon request, each SPP BA Participant shall provide SPP with access to SPP BA Participant's books, records, facilities, and procedures as necessary to allow SPP to determine SPP BA Participant's adherence to this Agreement and/or to support SPP's compliance as a BA. Such access shall be upon reasonable notice, at reasonable times, and under reasonable conditions. Each Party shall be responsible for its own expenses related to any such request for information.

18.17 PARTICIPATION BY WESTERN-UGP SUBJECT TO FEDERAL LAWS AND REGULATIONS

18.17.1 Subject to Acts of Congress

The participation by the United States through Western-UGP in this Agreement is subject in all respects to acts of Congress and to regulations of the Secretary of Energy established thereunder, and to rate schedules promulgated by the Secretary of Energy. This reservation includes, but is not limited to, the statutory limitations upon the authority of the Secretary of Energy to submit disputes arising under this Agreement to arbitration. In the event of a conflict between this Section 18.17 and any other provision of this Agreement, this Section 18.17 shall have precedence with respect to the application of this Agreement to Western-UGP.

18.17.2 Contingent Upon Appropriations and Authorization

Where activities provided for in this Agreement extend beyond the current fiscal year, continued expenditures by the United States through Western-UGP are contingent upon Congress making the necessary appropriations required for the continued performance of the obligations of the Western-UGP under this Agreement. In case such appropriation is not made, the Parties hereby release the Western-UGP from its contractual obligations under this Agreement and from all liability due to the failure of Congress to make such appropriation.

18.17.3 Employment Practices; Contractor Agreement

For the purpose of this Federal participation provision, the term "Contract" shall mean this Agreement and the term "Contractor" shall mean a Party having transactions with Western-UGP. During the performance of this Contract, the Contractor agrees to the provisions set forth in Section 18.17 and its subdivisions.

In addition, the Contractor will include the following provisions in every subcontract or purchase order involving Western-UGP unless exempted by rules, regulations, or order of the Secretary of Labor.

(i) Equal Opportunity Employment Practices

Section 202 of Executive Order No. 11246, 30 Fed. Reg. 12319 (1965), as amended by Executive Order No. 12086, 43 Fed. Reg. 46501 (1978), which provides, among other things, that the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, is incorporated in the Contract by reference to same as if the specific language had been written into the Contract, except that Indian Tribes and tribal organizations may apply Indian Preference to the extent permitted by federal law.

(ii) Contract Work Hours and Safety Standards

The Contract, to the extent that it is of a character specified in Section 103 of the Contract Work Hours and Safety Standards Act ("Act"), 40 U.S.C. § 3701, as amended or supplemented, is subject to the provisions of the Act, 40 U.S.C. § 3701-3708, as amended or supplemented, and to regulations promulgated by the Secretary of Labor pursuant to the Act.]

(iii) Use of Convict Labor

The Contractor agrees not to employ any person undergoing sentence of imprisonment in performing the Contract except as provided by 18 U.S.C. § 3622(c), as amended or supplemented, and Executive Order No. 11755, 39 Fed. Reg. 779 (1973), as amended or supplemented.

IN WITNESS WHEREOF, the signatories have caused this Agreement Between Southwest Power Pool, Inc. and SPP BA Participant Relating to Implementation of the Southwest Power Pool Balancing Authority to be executed by their duly authorized representatives as of the dates set forth under their respective signatures.

Company: _____

By: _____

Name: _____

Title: _____

Date: _____

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Appendix A to Att. AN, Appendix A to Attachment AN, 2.0.0, A

Record Narrative Name: Appendix A to Attachment AN - List of SPP BA Participants

Tariff Record ID: 1266

Tariff Record Collation Value: 583391240 Tariff Record Parent Identifier: 584

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

APPENDIX A TO ATTACHMENT AN

List of SPP BA Participants

American Electric Power

Board of Public Utilities of Kansas City, Kansas

City of Independence, Missouri

City Utilities of Springfield

The Empire District Electric Company

Grand River Dam Authority

Kansas City Power & Light Company

KCP&L Greater Missouri Operations Company

Lincoln Electric System

Nebraska Public Power District

Oklahoma Gas and Electric Company

Omaha Public Power District

Southwestern Public Service Company

Sunflower Electric Power Corporation

Westar Energy, Inc.

Western Area Power Administration-Upper Great Plains Region (Upper Great Plains East
Balancing Authority Area-WAUE)

Western Farmers Electric Cooperative

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment AP, Attachment AP Allocation of Costs Associated With ..., 2.0.0, A

Record Narrative Name: Attachment AP Allocation of Costs Associated With Reliability Penalty Assessments

Tariff Record ID: 636

Tariff Record Collation Value: 584951032 Tariff Record Parent Identifier: 0

Proposed Date: 2015-10-01

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

ATTACHMENT AP
ALLOCATION OF COSTS ASSOCIATED WITH RELIABILITY PENALTY
ASSESSMENTS

Under the NERC Functional Model and NERC Rules of Procedure, the Transmission Provider may be assessed penalties for confirmed violations of the NERC Reliability Standards. The purpose of this Attachment is to provide notice to all Market Participants, Members, and Terminated Members (as defined in this Attachment AP) that they may potentially be responsible for penalty costs assessed against the Transmission Provider for confirmed violations

of any NERC Reliability Standard. Market Participants, Members, and Terminated Members may be either directly assigned such penalty costs, if it is determined that they are responsible for or have directly contributed to the confirmed violations at issue, or may be assigned a portion of the costs, if the Transmission Provider is assessed a monetary penalty either due to its own confirmed violation or its status, as a Registered Entity under the NERC Functional Model and NERC Rules of Procedure.

This Attachment also provides for the recovery of costs associated with penalties assessed against the Transmission Provider for confirmed violations of NERC Reliability Standards resulting from a confirmed violation of NERC Reliability Standards by a Market Participant(s), Member(s), Terminated Member(s), the Transmission Provider, or another entity for whom Transmission Provider is assessed a penalty due to its status as a Registered Entity under the NERC Functional Model and NERC Rules of Procedure. Under this Attachment, the Transmission Provider may seek recovery of the costs associated with any monetary penalty by filing under section 205 of the Federal Power Act for direct recovery of penalty costs from one or more Market Participants, Members, or Terminated Members and/or for an allocation of penalty costs among all Market Participants, Members, and Terminated Members. Additionally, this Attachment provides for the participation of Market Participants, Members, and Terminated Members in the penalty assessment process with the Transmission Provider if the Market Participant, Member, or Terminated Member is alleged to have been directly involved in the event causing the potential penalty.

1. Definitions

All defined terms in this Attachment shall have the meaning given to them in the Tariff unless otherwise stated below.

Compliance Monitoring and Enforcement Program – The program used by NERC and the Regional Entities to monitor, assess, and enforce compliance with Reliability Standards within the United States. This is accomplished through compliance monitoring and audits, as well as the conduct of investigations and the assessment of monetary and non-monetary penalties for violations.

Electric Reliability Organization or ERO – An organization certified by the Commission to develop and enforce mandatory reliability standards and assess penalties against users, owners and operators of the bulk power system that violate such standards.

North American Electric Reliability Corporation (“NERC”) – The organization designated as ERO by the Commission on July 20, 2006.

NERC Compliance Registry – The registry maintained by NERC that records which Registered Entity is responsible for performing the set of functions required to ensure compliance with each NERC Reliability Standard.

NERC Functional Model – The Model defining the set of functions that must be performed to ensure the reliability of the electric bulk power system. The NERC Reliability Standards establish the requirements of the responsible entities that perform the functions defined in the Functional Model.

NERC Reliability Standards – Standards developed by NERC and approved by the Commission to ensure reliability of the bulk power system, violation of which may result in the imposition of mitigation programs or monetary penalties.

NERC Rules of Procedure – The rules and procedures developed by NERC and approved by the Commission. These rules include the process by which a responsible entity, who is to perform a set of functions to ensure the reliability of the electric bulk power system, must register as a Registered Entity.

Registered Entity – The entity registered under the NERC Functional Model and NERC Rules of Procedures for the purpose of compliance with NERC Reliability Standards and responsible for carrying out the tasks within a NERC function without regard to whether a task(s) is performed by another entity pursuant to the terms of its governing documents.

Regional Entity (RE)– NERC has designated the Transmission Provider as “Regional Entity” in the SPP region and has delegated ERO functions to Transmission Provider in the region.

Terminated Member – An entity that was a Member of SPP at the time that the conduct giving rise to a reliability penalty occurred, but that has since terminated its SPP Membership.

2. Direct Assignment of Costs Where Violation Can Be Directly Assigned

The purpose of this section of this Attachment is to provide notice to all Market Participants, Members, and Terminated Members that they may potentially be responsible for reliability penalty costs assessed in the event that the Market Participant’s, Member’s, or Terminated Member’s conduct or omission contributed to the violation(s) for which a monetary penalty was assessed to the Transmission Provider. This section provides for notification for the potential direct assignment of costs related to reliability violations that may be assessed to the Transmission Provider. The Transmission Provider shall notify, in writing, any potentially affected Member(s), Market Participant(s), or Terminated Members of an alleged violation as soon as possible after notifications by the RE or NERC of the commencement of procedures under the Compliance Monitoring and Enforcement Program. In addition, the Transmission Provider will invite the affected Member(s), Market Participant(s), or Terminated Member(s) to fully participate in all discussions and/or proceedings under the Compliance Monitoring and Enforcement Program.

If there is i) an assessment of a monetary penalty against the Transmission Provider as the Registered Entity for a confirmed violation of a NERC Reliability Standard(s) and ii) as a result of proceedings under the Compliance Monitoring and Enforcement Program, it is determined that one or more Market Participants, Members, Terminated Members, or Registered Entities are deemed to have directly contributed to or found to have been a “root cause(s)” of such confirmed violation(s), such Market Participant(s), Member(s), or Terminated Member(s) may be assessed a portion of or all of the monetary penalty; provided that all of the following conditions have been satisfied:

(1) During the course of an investigation by NERC, the RE or the Commission regarding the possibility of a Transmission Provider alleged violation of a NERC Reliability Standard, if the Transmission Provider believes that a Market Participant(s), Member(s), or Terminated Member(s) may have contributed to the violation under investigation, the Transmission Provider will provide a) reasonable prior written notice to the Market Participant(s), Member(s), or Terminated Member(s) that the Transmission Provider believes may have contributed to the violation and that it intends to seek to hold the Market Participant(s), Member(s), or Terminated Member(s) responsible for a portion of or all of the monetary penalties that result; and b) the Market Participant(s), Member(s), or Terminated Member(s) is provided the opportunity to fully participate in all discussions and/or proceedings under the Compliance Monitoring and Enforcement Program.

(2) In addition to the Transmission Provider providing sufficient notice to a Market Participant(s), Member(s), or Terminated Member(s) under Section 2(1) of this Attachment, it will also provide notice to NERC, the RE and the Commission of its allegations that the Market Participant(s), Member(s), or Terminated Member(s) may have contributed to the alleged violation and that the Transmission Provider intends to hold the Market Participant(s), Member(s), or Terminated Member(s) responsible for a portion of or all of the monetary penalties that result from the investigation which determines to what extent the Market Participant(s), Member(s), or Terminated Member(s) contributed to or was a “root cause(s)” of the confirmed violation; (3) If, as a result of proceedings under the Compliance Monitoring and Enforcement Program, it is determined that the Market Participant(s), Member(s), or Terminated Member(s) cited by the Transmission Provider contributed to or was a “root cause(s)” of the alleged violation, the Transmission Provider will seek to hold the Market Participant(s), Member(s), or Terminated Member(s) responsible for a portion of or all of the monetary penalty assessed as a result of the confirmed violation by making a filing with the Commission under section 205 of the Federal Power Act to assign a portion of or all of the costs of the monetary penalty directly to the Market Participant(s), Member(s), or Terminated Member(s);

(4) If the Commission accepts the filing, the Market Participant(s), Member(s), or Terminated Member(s) shall be responsible for its portion of the monetary penalty as determined by the Commission's order on the section 205 filing.

3. Spreading of Costs Where Violation Cannot Be Directly Assigned

The purpose of this section of this Attachment is to provide notice to all Market Participants, Members, and Terminated Members that they may potentially be responsible for reliability penalty costs assessed to the Transmission Provider that cannot be directly assigned under Section 2 of this Attachment. This section provides for a spreading of a portion of or all of such reliability penalty costs among all Market Participants, Members, and Terminated Members where the Transmission Provider itself is responsible for a confirmed violation of a Reliability Standard or where the Transmission Provider is assessed a penalty because of its status as a Registered Entity for a given Reliability Standard and the entity responsible for the violation cannot be assessed a penalty because of its status. The Transmission Provider shall notify, in writing, any potentially affected Market Participant(s), Member(s), or Terminated Member(s) of an alleged or confirmed violation as soon as possible after notifications by the RE or NERC of the commencement of procedures under the Compliance Monitoring and Enforcement Program. In addition, the Transmission Provider will i) invite the affected Member(s), Market Participant(s), or Terminated Member(s) to fully participate in all discussions and/or proceedings under the Compliance Monitoring and Enforcement Program and ii) timely report status and results of the findings and remedies to the Market Participants, Members, and Terminated Members.

If there is an assessment of a monetary penalty against the Transmission Provider as the Registered Entity for a confirmed violation of a NERC Reliability Standard(s), either: (1) as a result of the Transmission Provider's own conduct or omission that resulted in a confirmed violation; or (2) as a result of a violation by another entity for whom the Transmission Provider is the Registered Entity where the entity is not on the NERC Compliance Registry and therefore cannot be directly assessed a penalty because of its status; Market Participants, Members, and

Terminated Members may be assessed a portion of the monetary penalty providing the following conditions have been satisfied:

- (1) The Transmission Provider has made a filing under section 205 of the Federal Power Act proposing a methodology to allocate a portion of or all of the costs of the monetary penalty among the Market Participants, Members, and Terminated Members;
- (2) If the Commission accepts the filing and finalizes such penalty allocations to the Market Participants, Members, and Terminated Members.

4. Penalties allocated or attributable to Western-UGP

Notwithstanding anything in this Attachment to the contrary, Western-UGP has not waived or conceded any defense it may have, including sovereign immunity, intergovernmental immunity, or lack of subject matter jurisdiction in any action against it by an Enforcement Authority, nor has Western accepted any liability, responsibility, or obligation to pay any civil monetary penalties or fines imposed by an Enforcement Authority to which it would not have been subject in the absence of this Agreement. “Enforcement Authority” in this Agreement means the Commission, ERO, or RE with enforcement authority pursuant to a delegation from an ERO or FERC for the purpose of proposing and enforcing reliability standards. The Transmission Provider does not concede or accept responsibility for any portion of a penalty or fine attributable to the actions or omissions of Western-UGP. The Transmission Provider will identify the amount of any penalty or fine that the Transmission Provider allocates to Western-UGP or that the Transmission Provider determines is attributable to Western-UGP and will identify that amount to FERC as uncollectable and not otherwise owed by the Transmission Provider.

Document Content(s)

864-448aa790-6d30-4f1d-8f43-42fc3bf17d6d.PDF.....	1-52
864-ec626e22-5a29-47b2-8b71-c815ed9ddfd5.PDF.....	53-54
864-00414d6a-43f8-4f4e-a601-7417c1da7246.PDF.....	55-56
864-8ae52c05-7286-4aff-ac07-a16f03afa61f.PDF.....	57-93
864-40d796dd-c0bc-418f-a413-42874cb54ec5.PDF.....	94-110
864-f0d6f23b-d69e-4a7d-88da-f9ad141a62b6.PDF.....	111-138
864-50801a92-ccf2-4c9c-a763-09e8805696ad.PDF.....	139-161
864-72e0077a-60ea-4366-911e-2efd5e4c6815.PDF.....	162-196
864-24936418-4d23-450e-8a26-72351b1ee1c5.PDF.....	197-207
864-023a4f18-4030-42fc-ab75-1421bc174278.PDF.....	208-217
864-7483ccd4-25af-422c-a02f-cf38f21eceb8.PDF.....	218-237
864-c322534c-7c4b-43d2-8ae3-245df1be2aff.PDF.....	238-240
864-fd73b089-6f16-4905-81f9-eee4101e7f7f.PDF.....	241-243
864-668ee982-6d34-404b-a484-f784f7a77ee0.PDF.....	244-246
864-0ae15eb5-76b9-49b0-b1e1-5799131a47bd.PDF.....	247-255
864-999ad3d2-ae3e-4c58-ba10-6e6e81d22b2a.PDF.....	256-259
864-c543d687-e9ae-4dd8-87a5-f4cbcd93fa7d.PDF.....	260-263
864-677670f0-9532-4faa-87a7-5ce19b4f7502.PDF.....	264-311
864-36f139fb-d91b-4258-9f5c-e3bc17adff4f.PDF.....	312-356
864-58c4f0ad-7d85-4d28-a13e-9538927d5c3e.PDF.....	357-359
864-eb525407-6407-4ace-ba1d-9bd542d887c6.PDF.....	360-939
864-aba44018-0613-4734-8854-fd9f0e942f46.PDF.....	940-1521
FERC GENERATED TARIFF	
LING.RTF.....	1522-2018