

Exhibit ____ (SLC-2)

Attachment X of the NYISO OATT

STATE OF NEW YORK	
DEPT. OF PUBLIC SERVICE	
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CASE NO.	CC-T-0550
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New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1

Open Access Transmission Tariff

Composite Tariff Reflecting Commission Orders And NYISO Filings
Through December 10, 2008

Double-Underlined material indicates provisions proposed for addition, and ~~Strike-Through~~ material indicates provision proposed for deletion, in filings awaiting Commission action.

Single-Underlined material indicates additions in effect, Highlighted material indicates deletions in effect, in filings awaiting Commission action.

~~Italics plus strike-through and double underline~~ material indicates provisions proposed for addition and pending Commission action, which have been deleted by superseding provisions and approved by the Commission.

This composite New York Independent System Operator, Inc. OATT has been prepared for the convenience of the Market Participants on the basis of filings made with, or accepted or approved by, the Federal Energy Regulatory Commission. The composite OATT has not been filed with the Commission. The filings made with, and accepted or approved by, the Federal Energy Regulatory Commission shall govern in the case of any discrepancies with the composite OATT.

New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

First Revised Sheet No. 740A
Superseding Substitute Original Sheet No. 740A

STANDARD LARGE FACILITY INTERCONNECTION PROCEDURES

**(Applicable to Generating Facilities that exceed 20 MWs
and to Merchant Transmission Facilities)**

Issued by: William J. Museler, President
Issued on: October 5, 2004

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Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, -001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).

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Section 1. Definitions.

Whenever used in these Large Facility Interconnection Procedures with initial capitalization, the following terms shall have the meanings specified in this Section 1. Terms used in these procedures with initial capitalization that are not defined in this Section 1 shall have the meanings specified in Section 1-9 or Attachment S of the NYISO OATT, or in Article 2 of the NYISO Services Tariff.

Affected System shall mean an electric system other than the transmission system owned, controlled or operated by the ~~NYISO or the~~ Connecting Transmission Owner that may be affected by the proposed interconnection.

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

Affected Transmission Owner shall mean the New York public utility or authority (or its designated agent) other than the Connecting Transmission Owner that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the Tariff, and (ii) owns, leases or otherwise possesses an interest in a portion of the New York State Transmission System where System Deliverability Upgrades or System Upgrade Facilities are installed pursuant to Attachment X and Attachment S of the Tariff.

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, including but not limited to Environmental Law.

Applicable Reliability Councils shall mean the NERC, the NPCC and the NYSRC.

Applicable Reliability Standards shall mean the requirements and guidelines of the Applicable Reliability Councils, and the Transmission District, to which the Developer's Large Facility is directly interconnected, as those requirements and guidelines are amended and modified and in effect from time to time; provided that no Party shall waive its right to challenge the applicability or validity of any requirement or guideline as applied to it in the context of the Large Facility Interconnection Procedures.

Attachment Facilities shall mean the Connecting Transmission Owner's Attachment Facilities and the Developer's Attachment Facilities. Collectively, Attachment Facilities include all facilities and equipment between the Large Generating Facility or Merchant Transmission Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Large Facility to the New York State Transmission System. Attachment Facilities are sole use facilities and shall not include Stand Alone System Upgrade Facilities or System Upgrade Facilities or System Deliverability Upgrades.

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Base Case shall mean the base case power flow, short circuit, and stability data bases used for the Interconnection Studies by NYISO, Connecting Transmission Owner or Developer; described in Section 2.3 of the Large Facility Interconnection Procedures.

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Breach shall mean the failure of a Party to perform or observe any material term or condition of the Standard Large Generator Interconnection Agreement.

Breaching Party shall mean a Party that is in Breach of the Standard Large Generator Interconnection Agreement.

Business Day shall mean Monday through Friday, excluding federal holidays.

Byway shall mean all transmission facilities comprising the New York State Transmission System that are neither Highways nor Other Interfaces. All transmission facilities within capacity zone J and capacity zone K are Byways.

Calendar Day shall mean any day including Saturday, Sunday or a federal holiday.

Capacity Region shall mean one of three subsets of the Installed Capacity statewide markets comprised of Rest of State (Zones A through I), Long Island (Zone K), and New York City (Zone J).

Capacity Resource Interconnection Service ("CRIS") shall mean the service provided by NYISO to interconnect the Developer's Large Generating Facility or Merchant Transmission Facility to the New York State Transmission System in accordance with the NYISO Deliverability Interconnection Standard, to enable the New York State Transmission System to deliver electric capacity from the Large Generating Facility or Merchant Transmission Facility, pursuant to the terms of the NYISO OATT.

Class Year Deliverability Study shall mean an assessment, conducted by the NYISO staff in cooperation with Market Participants, to determine the System Deliverability Upgrades required for each generation and merchant transmission project included in the Class Year Interconnection Facilities Study to interconnect to the New York State Transmission System in compliance with the NYISO Deliverability Interconnection Standard.

Clustering shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting the Interconnection System Reliability Impact Study.

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

Commercial Operation Date of a unit shall mean the date on which the Large Facility commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the Standard Large Generator Interconnection Agreement.

Confidential Information shall mean any information that is defined as confidential by Section 13.1 of the Large Facility Interconnection Procedures.

Connecting Transmission Owner shall mean the New York public utility or authority (or its designated agent) that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the Tariff, (ii) owns, leases or otherwise possesses an interest in the portion of the New York State Transmission System at the Point of Interconnection, and (iii) is a Party to the Standard Large Interconnection Agreement.

Connecting Transmission Owner's Attachment Facilities shall mean all facilities and equipment owned, controlled or operated by the Connecting Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Standard Large Generator Interconnection Agreement, including any modifications, additions or upgrades to such facilities and equipment. Connecting Transmission Owner's Attachment Facilities are sole use facilities and shall not include Stand Alone System Upgrade Facilities or System Upgrade Facilities.

Default shall mean the failure of a Party in Breach of the Standard Large Generator Interconnection Agreement to cure such Breach in accordance with Article 17 of the Standard Large Generator Interconnection Agreement.

Deliverability Interconnection Standard shall mean the standard that must be met by any generation project, excluding those below 2 MWs and subject to Attachment Z, proposing to interconnect to the New York State Transmission System and become a qualified Installed Capacity Supplier, and must be met by any merchant transmission project proposing to interconnect to the New York State Transmission System and receive Unforced Capacity Delivery Rights. To meet the NYISO Deliverability Interconnection Standard, the Developer of the proposed project must, in accordance with the rules in Attachment S to the NYISO OATT, fund or commit to fund the System Deliverability Upgrades identified for its project in the Class Year Deliverability Study.

Developer's Attachment Facilities shall mean all facilities and equipment, as identified in Appendix A of the Standard Large Generator Interconnection Agreement, that are located between the Large Generating Facility or Merchant Transmission 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 Large Generating Facility or Merchant Transmission Facility to the New York State Transmission System. Developer's Attachment Facilities are sole use facilities.

Dispute Resolution shall mean the procedure described in Section 13.5 of the Large Facility Interconnection Procedures for resolution of a dispute between the Parties.

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Effective Date shall mean the date on which the Standard Large Generator Interconnection Agreement becomes effective upon execution by the Parties, subject to acceptance by the Commission, or if filed unexecuted, upon the date specified by the Commission.

Energy Resource Interconnection Service ("ERIS") shall mean the service provided by NYISO to interconnect the Developer's Large Generating Facility or Merchant Transmission Facility to the New York State Transmission System in accordance with the NYISO Minimum Interconnection Standard, to enable the New York State Transmission System to receive electric power from the Large Generating Facility or Merchant Transmission Facility at the Point of Interconnection, pursuant to the terms of the NYISO OATT.

Engineering & Procurement (E&P) Agreement shall mean an agreement that authorizes the Connecting 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.

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 Developer's device for the production of electricity identified in the Interconnection Request, but shall not include the Developer's Attachment Facilities.

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

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 any of 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 Developer, NYISO, Affected Transmission Owner, Connecting 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.

Highway shall mean 115 kV and higher transmission facilities that comprise the following NYCA interfaces: Dysinger East, West Central, Volney East, Moses South, Central East/Total East, UPNY-SENY and UPNY-ConEd, and their immediately connected, in series, Bulk Power System facilities in the New York State. Each interface shall be evaluated to determine additional "in series" facilities, defined as any transmission facility higher than 115 kV that (a) is located in an upstream or downstream zone adjacent to the interface and (b) has a power transfer distribution factor (DEAX) equal to or greater than five percent when the aggregate of generation in zones or systems adjacent to the upstream zone or zones which define the interface is shifted to the aggregate of generation in zones or systems adjacent to the downstream zone or zones which define the interface. In determining "in series" facilities for Dysinger East and West Central interfaces, the 115 kV and 230 kV tie lines between NYCA and PJM located in LBMP Zones A and B shall not participate in the transfer. Highway transmission facilities are listed in ISO Procedures.

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

In-Service Date shall mean the date upon which the Developer reasonably expects it will be ready to begin use of the Connecting Transmission Owner's Attachment Facilities to obtain back feed power.

Interconnection Facilities Study shall mean a study conducted by NYISO or a third party consultant for the Developer to determine a list of facilities (including Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades as identified in the Interconnection System Reliability Impact Study), the cost of those facilities, and the time required to interconnect the Large Generating Facility or Merchant Transmission Facility with the New York State Transmission System. The scope of the study is defined in Section 8 of the Standard Large Facility Interconnection Procedures.

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

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Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Large Generating Facility or Merchant Transmission Facility to the New York State Transmission System, the scope of which is described in Section 6 of the Standard Large Facility Interconnection Procedures.

Interconnection Feasibility Study Agreement shall mean the form of agreement contained in Appendix 2 of the Standard Large Facility Interconnection Procedures for conducting the Interconnection Feasibility Study.

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Interconnection Request shall mean Developer's request, in the form of Appendix 1 to the Standard Large Facility Interconnection Procedures, in accordance with the Tariff, to interconnect a new Large Generating Facility or Merchant Transmission Facility to the New York State Transmission System, or to increase the capacity of, or make a material modification to the operating characteristics of, an existing Large Generating Facility or Merchant Transmission Facility that is interconnected with the New York State Transmission System.

Interconnection Study shall mean any of the following studies: the Interconnection System Reliability Impact Study, and the Interconnection Standard Large Facility Interconnection Procedures.

System Reliability Impact Study (“SRIS”) shall mean an engineering study to determine the impact of the proposed Large Generation Facility or Merchant Transmission Facility on the safety and reliability of the New York State Transmission System and, if applicable, the New York State System, to determine what Attachment Facilities and System Upgrade or the proposed Large Generation Facility or Merchant Transmission Facility will require to develop a connection to the New York State Transmission System in accordance with the NYISO Minimum Interconnection Standard. The scope of the SRIS is determined by the NYISO Large Facility Interconnection Procedures.

Impact Study Agreement shall mean the form of Standard Large Facility Interconnection Procedures contained in Appendix 3 of the Interconnection Agreement, as amended, governing the Interconnection Study.

IRS still no...

Transmission

La. Facility Cap. "Facility shall mean a Generating Station." "Generating Station" means a generating station or power plant, whether owned by the utility or not, which is used for the production of electric energy.

Loss or damage to property, direct or indirect, or damage to other property, or damage to third parties, and all other losses, costs, attorney's fees, and all other damages, including reasonable attorneys' fees, resulting from the Indemnified Party's performance or non-performance of its obligations under the Large Capacity or Interconnection Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the Indemnified Party.

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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.

Merchant Transmission Facility shall mean Developer's device for the transmission of electricity identified in the Interconnection Request, proposing to interconnect to the New York State Transmission System, but shall not include ~~Developer's Attachment Facilities, System Upgrade Facilities or System Deliverability Upgrades~~. Merchant Transmission Facilities shall be those ~~for which the Developer intends to receive approval from the Federal Energy Regulatory Commission to charge market-based rates; transmission facilities developed by an entity that is not a Transmission Owner signatory to the ISO-Related Agreements~~. Merchant Transmission Facilities shall not include upgrades or additions to the New York State Transmission System ~~for which the owner does not have market-based rate authority made by a Transmission Owner signatory to the ISO-Related Agreements~~.

Metering Equipment shall mean all metering equipment installed or to be installed at the Large Generating or Merchant Transmission Facility pursuant to the Standard Large 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.

Minimum Interconnection Standard shall mean the reliability standard that must be met by any Large Generating Facility, or a Merchant Transmission Facility, proposing to connect to the New York State Transmission System. The Standard is designed to ensure reliable access by the proposed project to the New York State Transmission System. The Standard does not impose any deliverability test or deliverability requirement on the proposed interconnection.

~~**Network Access Interconnection Service** shall mean the service provided by NYISO to interconnect the Developer's Large Generating Facility or Merchant Transmission Facility to the New York State Transmission System in accordance with the NYISO Minimum Interconnection Standard, to enable the New York State Transmission System to receive electric energy and capacity from the Large Generating Facility or Merchant Transmission Facility at the Point of Interconnection, pursuant to the terms of the NYISO OATT.~~

Notice of Dispute shall mean a written notice of a dispute or claim that arises out of or in connection with the Standard Large Facility Interconnection Procedures, or the Standard Large Generator Interconnection Agreement or its performance.

NPCC shall mean the Northeast Power Coordinating Council or its successor organization.

NYISO shall mean the New York Independent System Operator, Inc.

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

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

Other Interfaces shall mean interfaces into New York capacity regions, Zone J and Zone K, and external ties into the New York Control Area.

Party or Parties shall mean NYISO, Connecting Transmission Owner, or Developer or any combination of the above.

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

Point of Interconnection shall mean the point, as set forth in Appendix A to the Standard Large Generator Interconnection Agreement, where the Attachment Facilities connect to the New York State Transmission System.

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

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Standard Large Facility Interconnection Procedures or Standard Large 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 Developer, NYISO and Connecting Transmission Owner 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.

Services Tariff shall mean the NYISO Market Administration and Control Area Tariff, as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff thereto.

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

Stand Alone System Upgrade Facilities shall mean System Upgrade Facilities that a Developer may construct without affecting day-to-day operations of the New York State Transmission System during their construction. NYISO, the Connecting Transmission Owner and the Developer must agree as to what constitutes Stand Alone System Upgrade Facilities and identify them in Appendix A to the Standard Large Generator Interconnection Agreement.

Standard Large Facility Interconnection Procedures ("LFIP") shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Large Generating Facility or Merchant Transmission Facility that are included in Attachment X of the NYISO OATT.

Standard Large Generator Interconnection Agreement ("LGIA") shall mean the form of interconnection agreement applicable to a Interconnection Request pertaining to a Large Generating Facility, that is included in Attachment X of the NYISO OATT.

System Deliverability Upgrades shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with Good Utility Practice and Applicable Reliability Requirements, to make the modifications or additions to Byways and Highways and Other Interfaces on the existing New York State Transmission System that are required for the proposed project to connect reliably to the system in a manner that meets the NYISO Deliverability Interconnection Standard for Capacity Resource Interconnection Service.

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

System Upgrade Facilities shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with good utility practice and Applicable Reliability Requirements, to make the modifications to the existing transmission system that are required to maintain system reliability due to: (i) changes in the system including such changes as load growth and changes in load pattern, to be addressed in the form of generic generation or transmission projects; and (ii) proposed interconnections. In the case of proposed interconnection projects, System Upgrade Facilities are the modifications or additions to the existing New York State Transmission System that are required for the proposed project to connect reliably to the system in a manner that meets the NYISO Minimum Interconnection Standard.

Tariff shall mean the NYISO Open Access Transmission Tariff ("OATT"), as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff.

~~**Transmission Owner** shall mean the public utility or authority (or its designated agent) that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the Tariff, (ii) owns, leases or otherwise possesses an interest in the portion of the New York State Transmission System at the Point of Interconnection, and (iii) is a Party to the Standard Large Generator Interconnection Agreement.~~

~~Transmission Owner's Attachment 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 Standard Large Generator Interconnection Agreement, including any modifications, additions or upgrades to such facilities and equipment. Transmission Owner's Attachment Facilities are sole use facilities and shall not include Stand Alone System Upgrade Facilities or System Upgrade Facilities.~~

Trial Operation shall mean the period during which Developer is engaged in on-site test operations and commissioning of the Large Generating Facility or Merchant Transmission Facility prior to Commercial Operation.

SCOPE AND APPLICATION.

2.1 Application of Standard Large Facility Interconnection Procedures.

Sections 2 through 13 apply to processing an Interconnection Request pertaining to a Large Generating Facility or Merchant Transmission Facility proposing to interconnect to the New York State Transmission System.

2.2 Comparability.

The NYISO shall receive, process and analyze all Interconnection Requests in a timely manner as set forth in the Large Facility Interconnection Procedures. As described herein, the NYISO will process and analyze all Interconnection Requests with independence and impartiality, in cooperation with and with input from the Developers, Connecting Transmission Owners and other Market Participants. The NYISO will perform, oversee or review the Interconnection Studies to ensure compliance with the Large Facility Interconnection Procedures. The NYISO will

use the same Reasonable Efforts in processing and analyzing Interconnection Requests from all Developers, whether or not the Large Generating Facilities or Merchant Transmission are owned by a Connecting Transmission Owner, its subsidiaries or Affiliates, or others.

2.3 Base Case Data.

The NYISO or Connecting Transmission Owner, depending upon which of those Parties possesses the data requested, shall provide base power flow, short circuit and stability databases, including all underlying assumptions and contingency lists, to the Developer upon request. All Parties shall treat Confidential Information in accordance with Section 13.1 of these Large Facility Interconnection Procedures. The NYISO and Connecting Transmission Owner are permitted to require that the Developer sign a confidentiality agreement before the release of Confidential Information or Critical Energy Infrastructure Information in the Base Case Data. The power flow data bases provided shall be those that the NYISO submitted with the most recent FERC Form 715 Report prior to the request. In the case of a request from a Developer considering Capacity Resource Interconnection Service, the power flow data bases provided

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shall include the Annual Transmission Reliability Assessment case from the most recently completed Class Year Deliverability Study. The vintage of the short circuit and stability data bases provided shall correspond to that of the power flow data bases provided. Such databases and lists, hereinafter referred to as Base Cases, shall include all proposed generation and transmission facilities that are included in the baseline system modeled for the Annual Transmission Baseline Assessment conducted pursuant Attachment S to the NYISO OATT.

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2.4 No Applicability to Transmission Service or Other Services.

Nothing in these Large Facility Interconnection Procedures shall constitute a request for Transmission Service or confer upon a Developer any right to receive Transmission Service. Nothing in these Large Facility Interconnection Procedures shall constitute a request for, nor agreement to provide, any energy, Ancillary Services or Installed Capacity under the NYISO Services Tariff, except to the extent that a Developer's election of Capacity Resource Interconnection Service and satisfaction of the NYISO Deliverability Interconnection Standard are prerequisites for the Large Generating Facility to become a qualified Installed Capacity Supplier and for the Merchant Transmission Facility to receive Unforced Capacity Deliverability Rights.

Section 3. Interconnection Requests.

3.1 General.

A Developer proposing to interconnect a new Large Generating Facility or Merchant Transmission Facility to the New York State Transmission System, or proposing to increase the capacity of, or make a material modification to the operating characteristics of, an existing Large Generating Facility or Merchant Transmission Facility that is interconnected to the New York State Transmission System shall submit to the NYISO a Interconnection Request in the form of Appendix 1 to these Large Facility Interconnection Procedures and an initial

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~~Refundable~~ deposit of \$10,000. The NYISO shall apply the deposit toward the reasonable, actual costs incurred by the NYISO and Transmission Owner in furtherance of Interconnection Studies, including costs associated with the Scoping Meeting of an Interconnection Feasibility Study. The Developer shall submit a separate Interconnection Request for each site and may submit multiple Interconnection Requests for a single site. The Developer must submit a deposit with each Interconnection Request even when more than one request is submitted for a single site. A Interconnection Request to evaluate one site at two different voltage levels shall be treated as two Interconnection Requests.

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At Developer's option, the NYISO, Connecting Transmission Owner and Developer 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. Developer will select the definitive Point(s) of Interconnection to be studied no later than the execution of the Interconnection Feasibility Study Agreement.

3.2 Types of Interconnection Service.

3.2.1 ~~The Product~~ Two Types of Service. The NYISO offers ~~Network Access~~ Energy Resource Interconnection Service under the Large Facility Interconnection Procedures for interconnection in compliance with the NYISO Minimum Interconnection Standard. The NYISO also offers Capacity Resource Interconnection Service under the Large Facility Interconnection Procedures for interconnection in compliance with the NYISO Deliverability Interconnection Standard.

3.2.2 Service Elections, Generally. All Large Facilities must interconnect in compliance with the NYISO Minimum Interconnection Standard. In addition, Large Facilities must also comply with the NYISO Deliverability Interconnection Standard before Large Generating Facilities can become qualified Installed Capacity Suppliers and before

Merchant Transmission Facilities can receive Unforced Capacity Deliverability Rights. A Developer initially states its election to be evaluated in its Interconnection Studies for ERIS alone, or for both ERIS and CRIS, as a part of its Interconnection Request. The NYISO evaluates an Interconnection Request for compliance with the Minimum Interconnection Standard throughout the Interconnection Study process. The NYISO evaluates an Interconnection Request for compliance with the Deliverability Interconnection Standard formally during the Class Year Deliverability Study. At other times during the Interconnection Study process, during the Interconnection Feasibility Study and the Interconnection System Reliability Study, the NYISO will assist any Developer considering Capacity Resource Interconnection Service to assess potential system deliverability issues by providing the Developer, upon its request, with the Annual Transmission Reliability Assessment case from the most recently completed Class Year Deliverability Study. The Developer may modify its interconnection service evaluation election when it executes the Interconnection Facilities Study Agreement for its project in accordance with Section 8.1 of these Large Facility Interconnection Procedures. At that time, the Developer may

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reduce the number of MWs it initially requested to be evaluated for CRIS,
and such a reduction shall not constitute a Material Modification. Any
increase in the MWs initially requested to be evaluated for CRIS shall
constitute a Material Modification.

3.2.3 ERIS Elections. A Large Facility that elects ERIS, and not CRIS, will
not be able to become an eligible Installed Capacity Supplier or to receive
Unforced Capacity Deliverability Rights. Such a Large Facility will be
eligible to participate only in the energy and applicable ancillary service
markets. When a Developer elects ERIS its project will be evaluated in
the Interconnection Studies at full output. When a Developer elects ERIS
and interconnects under ERIS, the Developer may at a later date ask the
NYISO to reevaluate the Large Facility for CRIS by including the Large
Facility in the then currently open Class Year Deliverability Study to
identify the System Deliverability Upgrades, if any, needed for the Large
Facility to be declared deliverable.

3.2.4 CRIS Elections. The amount of CRIS requested by a Developer shall be
stated in MWs of Installed Capacity, and cannot exceed the nameplate
capacity of the Developer's Large Facility. When a Developer elects
CRIS, the NYISO will evaluate the deliverability of

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the Large Facility by applying the test methodology described in
Section VII of Attachment S to the NYISO OATT. The NYISO will
apply this test methodology to identify the System Deliverability
Upgrades, if any, needed to make the Large Facility deliverable and will
also identify the MWs of Installed Capacity, if any, that are deliverable
from the Large Facility with no System Deliverability Upgrades. A
Large Facility electing CRIS will be able to become a qualified
Installed Capacity Supplier or receive Unforced Capacity Deliverability
Rights to the extent of its deliverable capacity, once it has funded or
committed to fund any required System Deliverability Upgrades in
accordance with the relevant provisions of Attachment S to the NYISO
OATT. A Developer qualifying for CRIS will have two CRIS values:
one for the summer capability period and one for the winter capability
period. The CRIS value, in MWs of Installed Capacity, for the summer
capability period will be set using the deliverability test methodology
and procedures described in Section VII of Attachment S to the NYISO
OATT. The CRIS value for the winter capability period, also in MWs
of Installed Capacity, will be set at a value that will maintain the same
proportion of CRIS to ERIS as the summer capability period.

3.2.5 Partial CRIS Service. A Developer may elect partial CRIS, measured in whole MWs of Installed Capacity, for its Large Facility,

3.2.6 Increases In Established CRIS Values. Any facility with an established CRIS value may at a later date, without submitting a new Interconnection Request, ask the NYISO to reevaluate the Large Facility for a higher level of MWs of Installed Capacity, not to exceed the nameplate rating of the Large Facility, by including the Large Facility in the then currently open Class Year Deliverability Study to identify the System Deliverability Upgrades, if any, needed for the Large Facility to be declared deliverable at the higher level of MWs. Any facility with an established CRIS value may, without such evaluation and without submitting a non Interconnection Request, increase that CRIS value by a total of no more than 2 MWs of Installed Capacity during the operating life of the facility.

3.2.27 The Interconnection Studies. The Interconnection Studies conducted under the Large Facility Interconnection Procedures consist of short circuit/fault duty, steady state (thermal and voltage) and stability analyses designed to identify the Attachment Facilities and System

Upgrade Facilities required for the reliable interconnection of Large
Facilities to the New York State Transmission System in compliance with
the NYISO Minimum Interconnection Standard, as well as the
deliverability analysis described in Attachment S of the OATT designed to
identify the System Deliverability Upgrades required for reliable
interconnection in compliance with the NYISO Deliverability
Interconnection Standard, where applicable.

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3.3 Valid Interconnection Request.

3.3.1 Initiating an Interconnection Request.

To initiate an Interconnection Request, Developer 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 or a posting of an additional deposit of \$10,000. Such deposits shall be applied toward any Interconnection Studies pursuant to the Interconnection Request. If Developer demonstrates Site Control within the cure period specified in Section 3.3.3 after submitting its Interconnection Request, the additional deposit shall be refundable; otherwise, all such deposit(s), additional and initial, become non-refundable.

The expected In-Service Date of the new Large Facility or proposed increase in capacity of the existing Large Generating Facility or Merchant Transmission Facility shall be no more than the process window for the regional expansion planning period (or prior to the establishment of a regional planning process, the process window for the NYISO's expansion planning period) not to exceed seven years from the date the Interconnection Request is received by the NYISO,

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unless the Developer demonstrates that engineering, permitting and construction of the new Large Facility or increase in capacity of the existing Large Facility will take longer than the regional expansion planning period. The In-Service Date may succeed the date the Interconnection Request is received by the NYISO by a period up to ten years, or longer where the Developer and NYISO agree after consultation with the Connecting Transmission Owner, such agreement not to be unreasonably withheld.

3.3.2 Acknowledgment and Notification of Interconnection Request.

NYISO 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 it returns to the Developer. At the same time, NYISO shall forward a copy of the Interconnection Request and its acknowledgement to the Connecting Transmission Owner with whom the Developer is proposing to connect.

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 the NYISO. If a

Interconnection Request fails to meet the requirements set forth in Section 3.3.1, the NYISO shall notify the Developer and Connecting Transmission Owner 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. Developer shall provide the NYISO the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice. NYISO shall promptly forward such information to the Connecting Transmission Owner.

Any request to modify this Section 3.3.3 shall be treated in accordance with Section 3.6.

3.3.4 Sc

Within ten (10) Business Days after receipt of a valid Interconnection Request, the NYISO shall establish a date agreeable to Developer and Transmission Owner for the Scoping Meeting, and such meeting shall occur within (30) Calendar Days from receipt of the 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. NYISO, Connecting Transmission Owner and Developer will bring to the meeting such technical data, including, but not limited to: (i) general facility loadings, (ii) general stability issues, (iii) general short circuit issues, (iv) general voltage issues, (v) general reliability issues, and (vi) general system protection issues, and (vii) general deliverability issues as may be reasonably required to accomplish the purpose of the meeting. NYISO, Connecting Transmission Owner and Developer will also bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On the basis of the meeting, Developer 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.

3.4 ASIS Posting.

The NYISO will maintain on its OASIS a list of all valid Interconnection requests. The list will identify, for each Interconnection Request: (i) the maximum summer and winter megawatt electrical output; (ii) the location by county and state; (iii) the station or transmission line or lines where the interconnection will be made; (iv) the projected In-Service Date; (v) the status of the Interconnection Request, including Queue Position; (vi) the identity of the Developer; and (vii) the availability of any studies related to the Interconnection Request; (ix) the type of Large Facility (combined cycle, base load or combustion turbine and other type); and (x) for Interconnection Requests that have not resulted in a completed study, an explanation as to why it was not completed.

Following a Standing Meeting with an Affiliate of a Connecting Transmission Owner, the NYISO shall post on its website its intent to do so. The NYISO shall post to its website the study timelines set forth herein.

Study reports and Optional Interconnection Study reports shall be posted to the NYISO OASIS password-protected website subsequent to the meeting between the Developer, NYISO and Connecting Transmission Owner to discuss the applicable study results. The NYISO shall also post any known deviations in the Large Facility's In-Service Date.

3.5 Coordination with Affected Systems.

The NYISO 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, The NYISO will include those results (if available)~~ on Affected Transmission Owner systems in its applicable Interconnection Study

defined in these Large Facility Interconnection

Procedures. The NYISO will also include results, if available, on other Affected Systems. The NYISO will invite such Affected System Operators to all meetings

required by these Large Facility Interconnection

Procedures. The Developer will cooperate with the NYISO in all matters related to the conduct of studies and the determination of modifications to Affected Systems. An Affected System Operator shall cooperate with the NYISO and Connecting Transmission Owner 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.

The Developer may withdraw its Interconnection Request at any time by written notice of such withdrawal to the NYISO. In addition, if the Developer fails to adhere to all requirements of these Large Facility Interconnection Procedures, except as provided in Section 13.5 (Disputes), the NYISO shall deem the

Interconnection Request to be withdrawn and shall provide written notice to the Developer of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, the Developer shall have fifteen (15) Business Days in which to either respond with information or actions that cures the deficiency or to notify the NYISO of its intent to pursue Dispute Resolution.

Withdrawal shall result in the loss of the Developer's Queue Position. If a Developer disputes the withdrawal and loss of its Queue Position, then during Dispute Resolution, the Developer's Interconnection Request is eliminated from the queue until such time that the outcome of Dispute Resolution would restore its Queue Position. A Developer that withdraws or is deemed to have withdrawn its Interconnection Request shall pay to the NYISO and Connecting Transmission Owner all costs that the NYISO and Connecting Transmission Owner prudently incur with respect to that Interconnection Request prior to the receipt of notice described above. The Developer must pay all monies due to the NYISO and Connecting Transmission Owner before it is allowed to obtain any Interconnection Study data or results.

The NYISO shall (i) update the OASIS Queue Position posting and (ii) refund to the Developer any portion of the Developer's deposit or study payments that

exceeds the costs that the NYISO and Transmission Owner have~~has~~ incurred, in
furtherance of Interconnection Studies, including costs associated with the
Scoping Meeting, with~~including~~ interest calculated in accordance with section
35.19a(a)(2) of FERC's regulations. In the event of such withdrawal, the NYISO
and Connecting Transmission Owner, subject to the confidentiality provisions of
Section 13.1, shall provide, at Developer's request, all information that the
NYISO and Connecting Transmission Owner developed for any completed study
conducted up to the date of withdrawal of the Interconnection Request.

Section 4. Queue Position.

4.1 General.

The NYISO shall assign a Queue Position based upon the date and time of receipt
of the valid Interconnection Request; provided that, if the sole reason an
Interconnection Request is not valid is the lack of required information on the
application form, and the Developer provides such information in accordance
with Section 3.3.3, then the NYISO shall assign the Developer a Queue Position
based on the date the application form was originally filed. Moving a Point of
Interconnection shall result in a lowering of Queue Position if it is deemed a
Material Modification under Section 4.4.3.

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The Queue Position of each Interconnection Request will be used to determine the order of performing the Interconnection Studies. A higher queued Interconnection Request is one that has been placed "earlier" in the queue in relation to another Interconnection Request that is lower queued.

4.2 Clustering.

At NYISO's option, Interconnection Requests may be studied serially or in clusters for the purpose of the Interconnection System Reliability Impact Study.

Clustering shall be implemented on the basis of Queue Position. If the NYISO elects to study Interconnection Requests using Clustering, all Interconnection Requests received within a period not to exceed one hundred and eighty (180) Calendar Days, hereinafter referred to as the "Queue Cluster Window" shall be studied together. Deadlines for completing all Interconnection System Reliability Impact Studies for which an Interconnection Study Agreement has been executed during a Queue Cluster Window shall be in accordance with Section 7.4, for all Interconnection Requests assigned to the same Queue Cluster Window. The

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NYISO may study an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Large Facility.

Clustering Interconnection System Reliability Impact Studies shall be conducted in such a manner to ensure the efficient implementation of the applicable regional transmission expansion plan in light of the New York State Transmission System capabilities at the time of each study.

The Queue Cluster Window shall have a fixed time interval based on fixed annual opening and closing dates. Any changes to the established Queue Cluster Window interval and opening or closing dates shall be announced with a posting on the NYISO's OASIS beginning at least one hundred and eighty (180) Calendar Days in advance of the change and continuing thereafter through the end date of the first Queue Cluster Window that is to be modified.

4.3 Transferability of Queue Position.

A Developer may transfer its Queue Position to another entity only if such entity acquires the specific Large Facility identified in the Interconnection Request and

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the Point of Interconnection does not change. As a result of such a transfer, the acquiring entity shall become the Developer of the specific Large Facility identified in the Interconnection Request.

4.4 Modifications.

The Developer shall submit to the NYISO, in writing, modifications to any information provided in the Interconnection Request. The Developer shall retain its Queue Position if the modifications are in accordance with Sections 4.4.1, 4.4.2, 4.4.5 or 4.4.56, or are determined not to be Material Modifications pursuant to Section 4.4.3.

Notwithstanding the above, during the course of the Interconnection Studies, either the Developer or the NYISO or Connecting Transmission Owner may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the New York State Transmission System to accommodate the Interconnection Request. To the extent the identified changes are acceptable to the NYISO, Connecting Transmission Owner and Developer, such acceptance not to be unreasonably withheld, NYISO shall modify the Point of Interconnection and/or configuration in accordance with such

changes and proceed with any re-studies necessary to do so in accordance with Section 6.4, Section 7.6 and Section 8.5 as applicable and Developer shall retain its Queue Position.

4.4.1 Prior to the return of the executed Interconnection System Reliability Impact Study Agreement to the NYISO, modifications permitted under this Section shall include specifically: (a) a decrease of up to 60 percent of electrical output (MW) of the proposed project; (b) modifying the technical parameters associated with the Large Facility technology or the Large Generating Facility step-up transformer impedance characteristics; and (c) modifying the interconnection configuration. For plant increases, the incremental increase in plant output will go to the end of the queue for the purposes of study analysis.

4.4.2 Prior to the return of the executed Interconnection Facility Study Agreement to the NYISO, the modifications permitted under this Section shall include specifically: (a) additional 15 percent decrease of electrical output (MW), and (b) Large Facility technical parameters associated with modifications to Large Facility technology and

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transformer impedances; provided, however, the incremental
Interconnection Study costs associated with those modifications are the
responsibility of the requesting Developer.

4.4.3 Prior to making any modification other than those specifically permitted
by Sections 4.4.1, 4.4.2, 4.4.5 and 4.4.56, Developer may first request that
the NYISO evaluate whether such modification is a Material Modification.
In response to Developer's request, the NYISO shall evaluate the
proposed modifications prior to making them and inform the Developer in
writing of whether the modifications would constitute a Material
Modification. Any change to the Point of Interconnection except those
deemed acceptable under Section 4.4.1, 6.1, 7.2 or so allowed elsewhere
shall constitute a Material Modification. The Developer may then
withdraw the proposed modification or proceed with a new
Interconnection Request for such modification.

4.4.4 Upon receipt of Developer's request for modification permitted under this
Section 4.4, the NYISO shall commence and perform any necessary
additional studies as soon as practicable, but in no event shall the NYISO
commence such studies later than thirty (30) Calendar Days

after receiving notice of Developer's request. Any additional studies resulting from such modification shall be done at Developer's cost.

4.4.5 Extensions of less than three (3) cumulative years in the Commercial Operation Date of the Large Facility to which the Interconnection Request relates are not material and should be handled through construction sequencing.

4.46 Any increase by the Developer, when it executes the Interconnection Facilities Study Agreement, in the number of MWs of Installed Capacity that it previously requested to be evaluated for CRIS shall constitute a Material Modification.

Section 5. Procedures for Interconnection Requests Submitted Prior to Effective Date of Standard Large Facility Interconnection Procedures.

5.1 Queue Position for Pending Requests.

5.1.1 Any Developer assigned a Queue Position prior to the effective date of these Large Facility Interconnection Procedures shall retain that Queue Position.

5.1.1.1 If an Interconnection Study Agreement has not been executed as of the effective date of these Large Facility Interconnection Procedures, then such Interconnection Study, and any subsequent Interconnection Studies, shall be processed in accordance with these Large Facility Interconnection Procedures.

5.1.1.2 If an Interconnection Study Agreement has been executed prior to the effective date of these Large Facility Interconnection Procedures, such Interconnection Study shall be completed in accordance with the terms of such agreement. With respect to any remaining studies for which a Developer has not signed an Interconnection Study Agreement prior to the effective date of these Large Facility Interconnection Procedures, the NYISO must offer the Developer the option of either continuing under the NYISO's existing interconnection study process or going forward with the completion of the necessary Interconnection Studies (for which it does not have a signed Interconnection Studies Agreement) in accordance with these Large Facility Interconnection Procedures.

5.1.1.3 If a Standard Large Generator Interconnection Agreement has been submitted to the Commission for approval before the effective date of these Standard Large Facility Interconnection Procedures, then the Standard Large Generator Interconnection Agreement would be grandfathered.

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5.1.2 Transition Period.

To the extent necessary, the NYISO and Developers with an outstanding request (i.e., an Interconnection Request for which an interconnection agreement has not been submitted to the Commission for approval as of the effective date of these Large Facility Interconnection Procedures) shall transition to these procedures within a reasonable period of time not to exceed sixty (60) Calendar Days. The use of the term "outstanding request" herein shall mean any Interconnection Request, on the effective date of these Large Facility Interconnection Procedures: (i) that has been submitted but not yet accepted by the NYISO; (ii) where the related interconnection agreement has not yet been submitted to the Commission for approval in executed or unexecuted form, (iii) where the relevant Interconnection Study Agreements have not yet been executed, or (iv) where any of the relevant Interconnection Studies are in process but not yet completed. Any Developer with an outstanding request as of the effective date of these Large Facility Interconnection Procedures may request a reasonable extension of any deadline, otherwise applicable, if necessary

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to avoid undue hardship or prejudice to its Interconnection Request. A reasonable extension shall be granted by the NYISO to the extent consistent with the intent and process provided for under these Large Facility Interconnection Procedures. This paragraph shall not apply to a Large Facility's obligation to obtain CRIS in order to qualify as an Installed Capacity Supplier or obtain Unforced Capacity Delivery Rights under the NYISO Market Services Tariff.

5.2 New Transmission Provider.

If the NYISO transfers its control of the New York State Transmission System to a successor transmission provider during the period when an Interconnection Request is pending, the NYISO 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 these Large Facility Interconnection Procedures shall be paid by or refunded to the Developer, as appropriate. The NYISO shall coordinate with the successor transmission provider to complete any Interconnection Request (including Interconnection Studies), as appropriate, that the NYISO has begun but has not completed. If the NYISO has tendered a draft Standard Large Generator Interconnection Agreement to the Developer but the Developer has not either executed that interconnection agreement or requested the filing of an unexecuted Standard Large Generator Interconnection Agreement

with FERC, unless otherwise provided, the Developer must complete negotiations with the successor transmission provider.

Section 6. Interconnection Feasibility Study.

6.1 Interconnection Feasibility Study Agreement.

Simultaneously with the acknowledgement of a valid Interconnection Request the NYISO shall provide to Developer and Connecting Transmission Owner an Interconnection Feasibility Study Agreement in the form of Appendix 2. The Interconnection Feasibility Study Agreement shall specify that Developer is responsible for the actual cost of the Interconnection Feasibility Study. Within five (5) Business Days following the Scoping Meeting, Developer shall specify for inclusion in the attachment to the Interconnection Feasibility Study Agreement the Point(s) of Interconnection and any reasonable alternative Point(s) of Interconnection. Within five (5) Business Days following the NYISO's receipt of such designation, NYISO shall tender to Developer the Interconnection Feasibility Study Agreement ~~signed by NYISO and Transmission Owner~~, which includes a good faith estimate of the cost for completing the Interconnection Feasibility Study. The Developer shall execute and deliver to the NYISO the Interconnection Feasibility Study Agreement along with a \$10,000 deposit no later than thirty (30) Calendar Days after its receipt. The NYISO and Transmission Owner shall execute the Interconnection Feasibility Study Agreement within thirty (30) Calendar Days of its receipt by Developer.

On or before the return of the executed Interconnection Feasibility Study Agreement to the NYISO, the Developer shall provide the technical data called for in Appendix 2, Attachment A.

If the Interconnection Feasibility Study uncovers any unexpected result(s) not contemplated during the Scoping Meeting, a substitute Point of Interconnection identified by either Developer or Connecting Transmission Owner and NYISO, and acceptable to the other Parties, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and Re-studies shall be completed pursuant to Section 6.4 as applicable. For the purpose of this Section 6.1, if the NYISO, Connecting Transmission Owner and Developer cannot agree on the substituted Point of Interconnection, then Developer may direct that one of the alternatives as specified in the Interconnection Feasibility Study Agreement, as specified pursuant to Section 3.3.4, shall be the substitute.

If the NYISO, Connecting Transmission Owner and Developer agree to forego the Interconnection Feasibility Study, the NYISO will initiate an Interconnection System Reliability Impact Study under Section 7 of these Large Facility Interconnection Procedures and apply the \$10,000 deposit towards the Interconnection System Reliability Impact Study.

New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

First Revised Sheet No. 771A
Superseding Original Sheet No. 771A

6.2 Scope of Interconnection Feasibility Study.

The Interconnection Feasibility Study shall preliminarily evaluate the feasibility of the proposed interconnection to the New York State Transmission System.

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The Interconnection Feasibility Study shall be conducted in accordance with
Applicable Reliability Standards.

The Interconnection Feasibility Study will consider the Base Case and, if not
already included in the Base Case, all generating and merchant transmission
facilities (and with respect to (iii), any identified System Upgrade Facilities and, if
security or cash has been posted in accordance with Attachment S, System
Deliverability Upgrades, except for Highway facility upgrades that have not yet
been triggered under Section VII.K.3.a of Attachment S) that, on the date the
Interconnection Feasibility Study is commenced: (i) are directly interconnected to
the New York State 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 New York
State Transmission System; and (iv) have no Queue Position but have executed a
Standard Large Generator Interconnection Agreement or requested that an
unexecuted Standard Large Generator Interconnection Agreement be filed with
FERC. The Interconnection Feasibility Study will consist of a power flow and
short circuit analysis. The Interconnection Feasibility Study will provide a list of
facilities and a non-binding good faith estimate of cost responsibility and a non-
binding good faith estimated time to construct.

6.3 Interconnection Feasibility Study Procedures.

The NYISO shall utilize existing studies to the extent practicable when it performs the study. The NYISO shall use Reasonable Efforts to complete the Interconnection Feasibility Study no later than forty-five (45) Calendar Days after the NYISO receives the fully executed Interconnection Feasibility Study Agreement. At the request of the Developer or at any time the NYISO determines that it will not meet the required time frame for completing the Interconnection Feasibility Study, NYISO shall notify the Developer as to the schedule status of the Interconnection Feasibility Study. If the NYISO is unable to complete the Interconnection Feasibility Study within that time period, it shall notify the Developer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, the NYISO shall provide the Developer supporting documentation, workpapers and relevant power flow, short circuit and stability databases for the Interconnection Feasibility Study, subject to confidentiality arrangements consistent with Section 13.1.

6.3.1 Study Report Meeting.

Within ten (10) Business Days of providing an Interconnection Feasibility Study report to Developer, the NYISO and Connecting Transmission

Owner shall meet with Developer to discuss the results of the
Interconnection Feasibility Study.

6.4 Re-Study.

If the NYISO determines that re-study of the Interconnection Feasibility Study is required due to a higher queued project dropping out of the queue, or a modification of a higher queued project subject to Section 4.4, or re-designation of the Point of Interconnection pursuant to Section 6.1 NYISO shall notify Developer in writing. Such re-study shall take not longer than forty-five (45) Calendar Days from the date of the notice. Any cost of re-study shall be borne by the Developer being re-studied.

Section 7. Interconnection System Reliability Impact Study.

7.1 Interconnection System Reliability Impact Study Agreement.

Unless otherwise agreed, pursuant to the Scoping Meeting provided in Section 3.3.4, simultaneously with the delivery of the Interconnection Feasibility Study to the Developer, the NYISO shall provide to the Developer and Connecting Transmission Owner an Interconnection System Reliability Impact Study Agreement in the form of Appendix 3 to these Large Facility Interconnection Procedures. The Interconnection System Reliability Impact Study Agreement shall provide that the

Developer shall compensate the NYISO and Connecting Transmission Owner for the actual cost of the SRIS. Within three (3) Business Days following the Interconnection Feasibility Study results meeting, the NYISO shall provide to Developer a non-binding good faith estimate of the cost and timeframe for completing the SRIS.

7.2 Execution of Interconnection System Reliability Impact Study Agreement.

The Developer shall execute the Interconnection System Reliability Impact Study Agreement and deliver the executed Interconnection System Reliability Impact Study Agreement to the NYISO no later than thirty (30) Calendar Days after its receipt along with demonstration of Site Control, and a \$50,000 deposit.

If the Developer does not provide all such technical data when it delivers the Interconnection System Reliability Impact Study Agreement, the NYISO shall notify the Developer of the deficiency within five (5) Business Days of the receipt of the executed Interconnection System Reliability Impact Study Agreement and the Developer shall cure the deficiency within ten (10) Business Days of receipt of the notice, provided, however, such deficiency does not include failure to deliver the executed Interconnection System Reliability Impact Study Agreement or deposit. The NYISO and Transmission Owner shall execute the Interconnection System Reliability Impact Study Agreement within thirty (30) Calendar Days after its receipt by the Developer.

If the Interconnection System Reliability Impact Study uncovers any unexpected result(s) not contemplated during the Scoping Meeting and the Interconnection Feasibility Study, a substitute Point of Interconnection identified by either Developer or Connecting Transmission Owner and NYISO, and acceptable to the other Parties, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and restudies shall be completed pursuant to Section 7.6 as applicable. For the purpose of this Section 7.2, if the NYISO, Connecting Transmission Owner and Developer cannot agree on the substituted Point of Interconnection, then Developer may direct that one of the alternatives as specified in the Interconnection Feasibility Study Agreement, as specified pursuant to Section 3.3.4, shall be the substitute.

7.3 Scope of Interconnection System Reliability Impact Study.

The Interconnection System Reliability Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the New York State Transmission System. The Interconnection System Reliability Impact Study shall be conducted in accordance with Applicable Reliability Standards. The SRIS will consider the Base Case, and if not already included in the Base Case, all

generating and merchant transmission facilities (and with respect to (iii) below, any identified System Upgrade Facilities associated with such higher queued interconnection and, if security or cash has been posted in accordance with Attachment S, System Deliverability Upgrades, except for Highway facility upgrades that have not yet been triggered under Section VII.K.3.a of Attachment S) that, on the date the SRIS is commenced: (i) are directly interconnected to the New York State 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 New York State Transmission System; and (iv) have no Queue Position but have executed a Standard Large Generator Interconnection Agreement or requested that an unexecuted Standard Large Generator Interconnection Agreement be filed with FERC.

The Interconnection System Reliability Impact Study will consist of a short circuit analysis, a stability analysis, and a power flow analysis. The SRIS 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~~ Network Access-Energy Resource 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 SRIS will provide a list of facilities that are required as a result of the Interconnection

Request and a nonbinding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct. The NYISO Operating Committee shall approve the specific study scope proposed for each Interconnection System Reliability Impact Study.

7.4 Interconnection System Reliability Impact Study Procedures.

The NYISO shall coordinate the Interconnection System Reliability Impact Study with any Affected System that is affected by the Interconnection Request pursuant to Section 3.5 above. The NYISO shall utilize existing studies to the extent practicable when it performs the study. The NYISO shall use Reasonable Efforts to complete the SRIS within ninety (90) Calendar Days after the receipt of the fully executed Interconnection System Reliability Impact Study Agreement, study payment, and technical data. If NYISO uses Clustering, the NYISO shall use Reasonable Efforts to deliver a completed SRIS within ninety (90) Calendar Days after the close of the Queue Cluster Window. The NYISO Operating Committee shall approve each final Interconnection System Reliability Impact Study.

At the request of the Developer or at any time the NYISO determines that it will not meet the required time frame for completing the Interconnection System Reliability Impact Study, NYISO shall notify the Developer as to the schedule

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status of the SRIS. If the NYISO is unable to complete the Interconnection System Reliability Impact Study within the time period, it shall notify the Developer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, the NYISO shall provide the Developer all supporting documentation, workpapers and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases for the SRIS, subject to confidentiality arrangements consistent with Section 13.1.

7.5 Study Report Meeting.

Within ten (10) Business Days of providing an Interconnection System Reliability Impact Study report to Developer, NYISO and Connecting Transmission Owner shall meet with Developer to discuss the results of the Interconnection System Reliability Impact Study.

7.6 Re-Study.

If the NYISO determines that re-study of the Interconnection System Reliability Impact Study is required due to a higher queued project dropping out of the queue, a modification of a higher queued project subject to 4.4, or re-designation

of the Point of Interconnection pursuant to Section 7.2, NYISO shall notify Developer in writing. Such re-study shall take no longer than sixty (60) Calendar Days from the date of notice. Any cost of re-study shall be borne by the Developer being re-studied.

Section 8. Interconnection Facilities Study.

8.1 Interconnection Facilities Study Agreement.

Beginning thirty (30) Calendar Days prior to the study start date of the Annual Transmission Reliability Assessment called for by Attachment S of the NYISO OATT, the NYISO shall provide an Interconnection Facilities Study Agreement for the next Class Year in the form of Appendix 4 to these Large Facility Interconnection Procedures to each Developer who has not previously received an agreement for the next Class Year, upon confirmation by the NYISO that the Developer is an Eligible Developer. Prior to this 30-day period, the NYISO shall tender an Interconnection Facilities Study Agreement to any Developer, confirmed by the NYISO to be an Eligible Developer, that so requests. For purposes of this Section only, the term Eligible Developer shall mean a Developer of a project that (1) has not been in a prior Class Year and satisfies the

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criteria for inclusion in the Annual Transmission Reliability Assessment, as those criteria are specified in Section ~~IVI.GB.63-e.(1)~~ of Attachment S, or (2) has been in a prior Class Year and the NYISO assigns the project to the next Class Year or the project elects to enter the next Class Year pursuant to Section ~~IVIII.GB.93-e.~~ of Attachment S. When the NYISO provides an Interconnection Facilities Study Agreement to a Developer, the NYISO shall, at the same time, also provide one to that Developer's ~~e~~Connecting Transmission Owner. The Interconnection Facilities Study Agreement shall provide that the Developer shall compensate the NYISO and Connecting Transmission Owner for the actual cost of the Interconnection Facilities Study. When the NYISO provides the Interconnection Facilities Study Agreement to the Developer, the NYISO shall provide to Developer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study. The Developer shall execute the Interconnection Facilities Study Agreement and

deliver the executed Interconnection Facilities Study Agreement to the NYISO by the later of (1) the study start date of the Annual Transmission Reliability Assessment, or (2) thirty (30) Calendar Days after the Developer's receipt of the Interconnection Facilities Study Agreement, together with the required technical data, including the Developer's final interconnection service evaluation election and the greater of \$100,000 or Developer's portion of the estimated monthly cost of conducting the Interconnection Facilities Study. At the same time the Developer provides the above items to the NYISO, the Developer shall deliver the executed Interconnection Facilities Study Agreement, together with the required technical data, to the Transmission Owner. The NYISO and Transmission Owner shall execute the Interconnection Facilities Study Agreement within ten (10) Business Days of receipt of the Interconnection Facilities Study Agreement executed by the Developer and the required technical data.

8.1.1 NYISO shall invoice Developer on a monthly basis for the work to be conducted on the Interconnection Facilities Study each month. Any Developer having elected only ERIS shall not be invoiced for any part of the cost of the Class Year Deliverability Study. Developer shall pay invoiced amounts within thirty (30) Calendar Days of receipt of invoice. NYISO shall continue to hold the amounts on deposit until settlement of the final invoice.

8.2 Scope of Interconnection Facilities Study.

The Interconnection Facilities Studies for a Class Year of Developers, as that Class Year is determined in accordance with Attachment S of the NYISO OATT, shall be performed concurrently as a combined Interconnection Facilities Study for that Class Year to fulfill the requirements of this Section 8, and the requirements of the Annual Transmission Reliability Assessment and Class Year Deliverability Study called for by Attachment S.

The combined Interconnection Facilities Study shall specify and estimate the cost

of the equipment, engineering and design work, permitting, site acquisition, procurement and construction work and commissioning needed ~~to implement the conclusions of the Interconnection System Reliability Impact Studies~~ for the Class Year in accordance with Good Utility Practice and, for each of these cost categories, shall specify and estimate the cost of the work to be done at each substation and/or on each feeder to physically and electrically connect each Large Facility in the Class Year to the Transmission System. The combined 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 Connecting Transmission Owners' Attachment Facilities and any System Upgrade Facilities and, for Large Facilities seeking CRIS, any System Deliverability Upgrades necessary to accomplish the interconnection of each Large Facility in the Class Year; and shall include a schedule showing the estimated time required to complete the engineering and design, permitting, site acquisition, procurement, construction, installation and commissioning phases of the Large Facility interconnection projects. The schedule shall contain major milestones to facilitate the tracking of the progress of each Large Facility interconnection project.

8.2.1 Following commencement of the activities described in this schedule, each Developer, ~~and that Developer's Connecting Transmission Owner~~ and each Affected Transmission Owner(s) shall

report every other month on the progress of their respective activities to the NYISO and to each other. Such reports shall be in a format consistent with, and include the content required by, applicable ISO Procedures. In these bimonthly reports, each Developer and Connecting Transmission Owner and Affected Transmission Owner(s) shall report any material variance from earlier schedule estimates for their respective activities, and the reasons for such variance. In addition, the Connecting Transmission Owner and Affected Transmission Owner(s) shall report any material variance from earlier cost estimates for its activities, and the reasons for such variance.

8.3 Interconnection Facilities Study Procedures.

The NYISO shall coordinate the Class Year Interconnection Facilities Study with the Connecting Transmission Owners and any Affected Transmission Owners, and with any other Affected System pursuant to Section 3.5 above. The NYISO shall utilize existing studies to the extent practicable in performing the Class Year Interconnection Facilities Study. The NYISO shall follow the procedures set forth in Attachment S of the NYISO OATT and shall use Reasonable Efforts to complete the study and issue a Class Year Interconnection Facilities Study report to the Class Year Developers within the timeframe called for in Attachment S.

At the request of ~~the~~ any Class Year Developer, or at any time the NYISO determines that it will not meet the required time frame for completing the Class Year Interconnection Facilities Study, NYISO shall notify the Class Year Developers as to the schedule status of the Interconnection Facilities Study. If the NYISO is unable to complete the Class Year Interconnection Facilities Study and issue a cost allocation report within the time required, it shall notify the Class Year Developers and provide an estimated completion date and an explanation of the reasons why additional time is required.

Upon request, the NYISO shall provide ~~the~~ each Class Year Developer supporting documentation, workpapers, and databases or data developed in the preparation of the Class Year Interconnection Facilities Study, subject to confidentiality arrangements consistent with Section 13.1.

8.4 Study Report Meeting.

Within ten (10) Business Days of providing a draft Interconnection Facilities Study report to Class Year Developers, the NYISO and Connecting Transmission Owners and Affected Transmission Owners shall meet with Developers to discuss the results of the Class Year Interconnection Facilities Study.

8.5 Re-Study.

If re-study of the Class Year Interconnection Facilities Study and cost allocation report is required pursuant to Section ~~IVIII.BF.8~~ and Section ~~IVIII.CF.9~~ of Attachment S, NYISO shall so notify Developers and conduct such re-study in accordance with the requirements of Attachment S. Any cost of re-study shall be borne by the Developers being re-studied.

Section 9. Engineering & Procurement ("E&P") Agreement.

Prior to executing a Standard Large Generator Interconnection Agreement, a Developer may, in order to advance the implementation of its interconnection, request and Connecting Transmission Owner shall offer the Developer, an E&P Agreement that authorizes the Connecting Transmission Owner to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection. However, the Connecting Transmission Owner shall not be obligated to offer an E&P Agreement if Developer is in Dispute Resolution as a result of an allegation that Developer has failed to meet any milestones or comply with any prerequisites specified in other parts of these Large Facility Interconnection Procedures. The E&P Agreement is an optional procedure and it will not alter the Developer's Queue Position or In-Service Date. The E&P Agreement shall provide for the

Developer to pay the cost of all activities authorized by the Developer and to make advance payments or provide other satisfactory security for such costs. The Developer shall, in accordance with Attachment S to the NYISO OATT, 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 Developer 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, Developer shall be obligated to pay the associated cancellation costs. To the extent that the equipment cannot be reasonably canceled, Connecting Transmission Owner may elect: (i) to take title to the equipment, in which event Connecting Transmission Owner shall refund Developer any amounts paid by Developer for such equipment and shall pay the cost of delivery of such equipment, or (ii) to transfer title to and deliver such equipment to Developer, in which event Developer shall pay any unpaid balance and cost of delivery of such equipment.

Section 10. Optional Interconnection Study.

10.1 Optional Interconnection Study Agreement.

Upon the initiation of a Developer's Interconnection System Reliability Impact

Study, the Developer may request, and the NYISO shall perform concurrently with that SRIS a reasonable number of Optional Studies. The request shall describe the assumptions that the Developer wishes the NYISO to study within the scope described in Section 10.2. Within five (5) Business Days after receipt of a request for an Optional Interconnection Study, the NYISO shall provide to the Developer an Optional Interconnection Study Agreement in the form of Appendix 5.

The Optional Interconnection Study Agreement shall: (i) specify the technical data that the Developer must provide for each phase of the Optional Interconnection Study, (ii) specify Developer's assumptions as to which Interconnection Requests with earlier queue priority dates will be excluded from the Optional Interconnection Study case, and (iii) the NYISO's estimate of the cost of the Optional Interconnection Study. To the extent known by the NYISO, such estimate shall include any costs expected to be incurred by any Affected System whose participation is necessary to complete the Optional Interconnection Study. Notwithstanding the above, the NYISO shall not be required as a result of an Optional Interconnection Study request to conduct any additional Interconnection Studies with respect to any other Interconnection Request.

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The Developer shall execute the Optional Interconnection Study Agreement within ten (10) Business Days of receipt and deliver the Optional Interconnection Study Agreement, the technical data and a \$10,000 deposit to the NYISO.

10.2 Scope of Optional Interconnection Study.

The Optional Interconnection Study will consist of a sensitivity analysis based on the assumptions specified by the Developer in the Optional Interconnection Study Agreement. The Optional Interconnection Study will also identify the Connecting Transmission Owner's Attachment Facilities and the System Upgrade Facilities, and the estimated cost thereof, that may be required to provide ~~Network Access~~ Energy Resource Interconnection Service based upon the results of the Optional Interconnection Study. The Optional Interconnection Study shall be performed solely for informational purposes. The NYISO shall use Reasonable Efforts to coordinate the study with any Affected Systems that may be affected by the types of options that are being studied. The NYISO shall utilize existing studies to the extent practicable in conducting the Optional Interconnection Study.

10.3 Optional Interconnection Study Procedures.

The executed Optional Interconnection Study Agreement, the prepayment, and technical and other data called for therein must be provided to the NYISO within

ten (10) Business Days of Developer receipt of the Optional Interconnection Study Agreement. The NYISO shall use Reasonable Efforts to complete the Optional Interconnection Study within a mutually agreed upon time period specified within the Optional Interconnection Study Agreement. If the NYISO is unable to complete the Optional Interconnection Study within such time period, it shall notify the Developer and provide an estimated completion date and an explanation of the reasons why additional time is required. Any difference between the study payment and the actual cost of the study shall be paid to the NYISO or refunded to the Developer, as appropriate. Upon request, the NYISO shall provide the Developer supporting documentation and workpapers and databases or data developed in the preparation of the Optional Interconnection Study, subject to confidentiality arrangements consistent with Section 13.1.

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

11.1 Tender.

Simultaneously with the completion of the Developer decision process described in Section IV.F.10 of OATT Attachment S and acceptance by the Developer of its Attachment S cost allocation, the NYISO and Connecting Transmission Owner shall tender to the Developer a draft Standard Large Generator Interconnection Agreement

together with draft appendices completed to the extent practicable. The draft Standard Large Generator Interconnection Agreement shall be in the form of the NYISO's Commission-approved Standard Large Generator Interconnection Agreement, which is in Appendix 6 to this Attachment X. Within thirty (30) Calendar Days after the tender by the NYISO and Connecting Transmission Owner, Developer shall execute and return the completed draft LGIA appendices.

11.2 Negotiation.

Notwithstanding Section 11.1, at the request of the Developer the NYISO and Connecting Transmission Owner shall begin negotiations with the Developer concerning the LGIA and its appendices at any time after the Developer executes the Interconnection Facilities Study Agreement. The NYISO, Connecting Transmission Owner and the Developer shall negotiate concerning any disputed provisions of the draft LGIA and its appendices for not more than sixty (60) Calendar Days after tender of the final Interconnection Facilities Study Report. If the Developer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft LGIA pursuant to Section 11.1 and request submission of the unexecuted LGIA to FERC or initiate Dispute Resolution procedures pursuant to Section 13.5. If the Developer requests termination of the

negotiations, but within sixty (60) Calendar Days thereafter fails to request either the filing of the unexecuted LGIA or initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if the Developer has not executed the LGIA, requested filing of an unexecuted LGIA, or initiated Dispute Resolution procedures pursuant to Section 13.5 within sixty (60) Calendar days of tender of draft LGIA, it shall be deemed to have withdrawn its Interconnection Request. The NYISO and Connecting Transmission Owner shall provide to the Developer a final LGIA 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 LGIA, the Developer shall provide the NYISO and Connecting Transmission Owner (A) reasonable evidence of continued Site Control or (B) posting of \$250,000, non-refundable additional security with the Connecting Transmission Owner, which shall be applied toward future construction costs. At the same time, Developer also shall provide the NYISO and Connecting Transmission Owner reasonable evidence that one or more of the following milestones in the development of the Large Generating Facility, at the Developer election, has been achieved: (i) the execution of a contract for the supply or

transportation of fuel to the Large Generating Facility; (ii) the execution of a contract for the supply of cooling water to the Large Generating Facility; (iii) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Large Generating Facility; (iv) execution of a contract for the sale of electric energy or capacity from the Large Generating Facility; or (v) application for an air, water, or land use permit.

The Developer shall either: (i) execute two originals of the tendered Standard Large Generator Interconnection Agreement and return them to the NYISO and Connecting Transmission Owner; or (ii) request in writing that the NYISO and Connecting Transmission Owner file with FERC an LGIA in unexecuted form.

As soon as practicable, but not later than ten (10) Business Days after receiving either the two executed originals of the tendered LGIA (if it does not conform with a Commission-approved standard form of interconnection agreement) or the request to file an unexecuted LGIA, the NYISO and Connecting Transmission Owner shall file the LGIA with FERC. The NYISO will draft the portions of the LGIA and appendices that are in dispute and assume the burden of justifying any departure from the pro forma LGIA and appendices. The NYISO will provide its explanation of any matters as to which the Parties disagree and support for the

costs that the Connecting Transmission Owner proposes to charge to the Developer under the LGIA. An unexecuted LGIA should contain terms and conditions deemed appropriate by the NYISO for the Interconnection Request. The Connecting Transmission Owner will provide in the filing any comments it has on the unexecuted agreement, including any alternative positions, it may have with respect to the disputed provisions. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted LGIA, they may proceed pending Commission action.

11.4 Commencement of Interconnection Activities.

If the Developer executes the final Standard Large Generator Interconnection Agreement, the NYISO, Connecting Transmission Owner and the Developer shall perform their respective obligations in accordance with the terms of the LGIA, subject to modification by FERC. Upon submission of an unexecuted LGIA in accordance with Section 11.3, the Parties shall promptly comply with the unexecuted LGIA, subject to modification by FERC.

Section 12. Construction of Connecting Transmission Owner's Attachment Facilities and System Facilities.

12.1 Schedule.

The Connecting Transmission Owner and the Developer shall negotiate in good faith concerning a schedule for the construction of the Connecting Transmission Owner's Attachment Facilities and the System Upgrade Facilities and the System Deliverability Upgrades.

12.2 Construction Sequencing.

12.2.1 General

In general, the In-Service Dates of the Developers in each Class Year seeking interconnection to the New York State Transmission System will determine the sequence of construction of System Upgrade Facilities and System Deliverability Upgrades.

12.2.2 Advance Construction of System Upgrade Facilities and System Deliverability Upgrades that are an Obligation of an Entity other than the Developer

A Developer with a Standard Large Generator Interconnection Agreement, in order to maintain its In-Service Date, may request that the Connecting Transmission Owner advance to the extent necessary the completion of System Upgrade Facilities, and System Deliverability Upgrades that: (i) were assumed in the Interconnection Studies for such Developer, (ii) are necessary to support

such In-Service Date, and (iii) would otherwise not be completed, pursuant to a contractual obligation of an entity other than the Developer that is seeking interconnection to the New York State Transmission System, in time to support such In-Service Date. Upon such request, Connecting Transmission Owner will use Reasonable Efforts to advance the construction of such System Upgrade Facilities and System Deliverability Upgrades to accommodate such request; provided that the Developer commits in writing to pay Connecting Transmission Owner any associated expediting costs.

12.2.3 Advancing Construction of System Upgrade Facilities or System Deliverability Upgrades that are Part of an Expansion Plan of the NYISO or Connecting Transmission Owner.

A Developer with an Standard Large Generator Interconnection Agreement, in order to maintain its In-Service Date, may request that the Connecting Transmission Owner advance to the extent necessary the completion of System Upgrade Facilities and System Deliverability Upgrades that: (i) are necessary to support such In-Service Date and (ii) would otherwise not be completed, pursuant to an expansion plan of the NYISO or Connecting Transmission Owner, in time to support such In-Service Date. Upon such request, Connecting Transmission Owner will use Reasonable Efforts to advance the construction of such System Upgrade Facilities and System Deliverability Upgrades to accommodate such request; provided that the

Developer commits in writing to pay Connecting Transmission Owner
any associated expediting costs.

12.2.4 Amended Interconnection System Reliability Impact Study

An Interconnection System Reliability Impact Study will be amended to
determine the facilities necessary to support the requested In-Service
Date. This amended study will include those transmission and Large
Generating Facilities that are expected to be in service on or before the
requested In-Service Date.

Section 13. Miscellaneous.

13.1 Confidentiality.

Certain information exchanged by the Parties during the administration of these
Large Facility Interconnection Procedures shall constitute confidential
information ("Confidential Information") and shall be subject to this Section 13.1.
The following shall constitute Confidential Information: (1) any non-public
information that is treated as confidential by the disclosing Party and which the
disclosing Party identifies as Confidential Information in writing at the time, or
promptly after the time, of disclosure; or (2) information designated as

Confidential Information by the NYISO Code of Conduct contained in
Attachment F to the NYISO OATT.

If requested by either Party receiving information, the Party supplying
information 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

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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 Standard Large Generator Interconnection Agreement; 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 Standard Large Generator Interconnection Agreement. 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

No Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by FERC Standards of Conduct requirements), employees, consultants, or to parties who may be or considering providing financing to or equity participation with Developer, or to potential purchasers or assignees of Developer, 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 another Party. The disclosure by each Party to the other Parties of Confidential Information shall not be deemed a waiver by any Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

13.1.4 No Warranties

By providing Confidential Information, no Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to the other Parties nor to enter into any further agreements or proceed with any other relationship or joint venture.

13.1.5 Standard of Care

Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Parties under these procedures or its regulatory requirements, including the NYISO OATT and NYISO Services Tariff. The NYISO shall, in all cases, treat the information it receives in accordance with the requirements of Attachment F to the NYISO OATT.

13.1.6 Order of Disclosure

If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires any Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of the Standard Large Generator Interconnection Agreement.

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 another Party's Breach of its obligations under this Section 13.1. Each Party accordingly agrees that the other Parties shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this 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

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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 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 these Large Facility Interconnection Procedures or the NYISO OATT, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Parties prior to the release of the Confidential Information to the Commission or its staff. The Party shall notify the other Parties to the LGIA when its is notified by FERC or its staff that a request to release Confidential Information

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has been received by FERC, at which time either of the Parties may respond before such information would be made public, pursuant to 18 C.F.R. section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner consistent with applicable state rules or regulations. A Party shall not be liable for any losses, consequential or otherwise, resulting from that Party divulging Confidential Information pursuant to a FERC or state regulatory body request under this paragraph.

13.1.9 Subject to the exception in Section 13.1.8, no Party shall disclose Confidential Information to any person not employed or retained by the Party possessing the Confidential Information, 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 supplying Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under these Large Facility Interconnection Procedures, the NYISO OATT or NYISO Services Tariff. Prior to any disclosures of a 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 Parties in writing and agrees to assert confidentiality and cooperate with the other Parties in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

13.1.10 This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a Breach of this provision).

13.1.11 The NYISO and Connecting Transmission Owner shall, at Developer's election, destroy, in a confidential manner, or return the Confidential Information provided at the time of Confidential Information is no longer needed.

13.2 Delegation of Responsibility.

The NYISO may use the services of subcontractors as it deems appropriate to perform its obligations under these Large Facility Interconnection Procedures.

The NYISO shall remain primarily liable to the Developer for the performance of such subcontractors and compliance with its obligations under these Large

Facility Interconnection Procedures. 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.

NYISO shall charge and Developer shall pay the reasonable, actual costs incurred by the NYISO and Transmission Owner in furtherance of the Interconnection Studies incurred by the NYISO and Transmission Owner; provided, however, that costs incurred in excess of the initial \$10,000 deposit will only be charged to the Developer if an Interconnection Study agreement is fully executed. If a number of Interconnection Studies are conducted concurrently; as a combined study, except for a Facilities Study, each Developer shall pay an equal share of the actual cost of the combined study. However, no Developer electing to be evaluated only for ERIS shall be responsible for any cost of any CRIS evaluation in the combined study. Beginning with Class Year 2008, Developers shall be responsible for Facilities Study costs in the following manner: (1) each Developer shall pay the actual cost of studying the Attachment Facilities for its own Large Facility, and (2) the Developer of each Large Facility in a Class Year shall pay an equal share of all other Facilities Study costs (*i.e.*, those not related to Attachment Facilities). However, no Developer electing to be evaluated only for ERIS shall be

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First Second Revised Sheet No. 804A
Superseding Original First Revised Sheet No. 804A

responsible for any cost of any CRIS evaluation in the Facilities Study. In (1)
above, if more than one Large Facility contribute to the need for particular
Attachment Facilities, the Developers of those Large Facilities shall share equally
in the cost to study those Attachment Facilities. Any difference between the study
deposit and the reasonable, actual cost of work performed in furtherance of an the
applicable Interconnection Study shall be paid by or refunded, except as otherwise
provided herein, to Developer 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. Developer shall pay any such undisputed
costs within thirty (30) Calendar Days of receipt of an invoice therefore. Neither

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the NYISO nor Connecting Transmission Owner shall be obligated to perform or continue to perform any studies unless Developer has paid all undisputed amounts in compliance herewith.

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) the Developer receives notice pursuant to Sections 6.3, 7.4 or 8.3 that the NYISO will not complete an Interconnection Study within the applicable timeframe for such Interconnection Study, or (iii) the Developer receives neither the Interconnection Study nor a notice under Sections 6.3, 7.4 or 8.3 within the applicable timeframe for such Interconnection Study, then the Developer may request the NYISO to utilize a consultant or other third party reasonably acceptable to Developer and NYISO to perform such Interconnection Study under the direction of the NYISO. At other times, the NYISO may also utilize a Connecting Transmission Owner or other third party to perform such Interconnection Study, either in response to a general request of the Developer, or on its own volition.

In all cases, use of a third party shall be in accord with Article 26 of the LGIA (Subcontractors) and limited to situations where the NYISO determines that doing so will help maintain or accelerate the study process for the Developer's pending Interconnection Request and not interfere with the NYISO's progress on Interconnection Studies for other pending Interconnection Requests. In cases where the Developer requests to use a third party to perform such Interconnection Study, Developer, NYISO and Connecting Transmission Owner shall negotiate all of the pertinent terms and conditions, including reimbursement arrangements and the estimated study completion date and study review deadline. The NYISO 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 Developer's request subject to the confidentiality provision in Section 13.1. In any case, such third party contract may be entered into with either the Developer or the NYISO at the NYISO's discretion. If a Developer enters into a third party study contract, Developer shall provide the study to NYISO and the Connecting Transmission Owner for review, and such third party study contract shall provide for reimbursement by Developer of NYISO's and Connecting Transmission Owner's actual cost of participating in and reviewing the study. In

the case of (iii) above in this Section 13.4, the Developer maintains its right to submit a claim to Dispute Resolution to recover the costs of such third party study. Such third party shall be required to comply with these Large Facility Interconnection Procedures, Article 26 of the LGIA (Subcontractors), and the relevant NYISO OATT procedures and protocols as would apply if the NYISO were to conduct the Interconnection Study and shall use the information provided to it solely for purposes of performing such services and for no other purposes. The NYISO and Connecting Transmission Owner shall cooperate with such third party and Developer to complete and issue the Interconnection Study in the shortest reasonable time.

13.5 Disputes.

13.5.1 Submission.

In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with the LGIA, these Standard Large Facility Interconnection Procedures, or their performance (a "Dispute"), such Party shall provide the other Parties with written notice of the Dispute ("Notice of Dispute"). Such Dispute shall be referred to a designated senior representative of each Party for resolution on an informal basis as

promptly as practicable after receipt of the Notice of Dispute by the other Parties. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Parties' receipt of the Notice of Dispute, such Dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. In the event the Parties do not agree to submit such Dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of the Standard Large Generator Interconnection Agreement.

13.5.2 External Arbitration Procedures.

Any arbitration initiated under these procedures shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the Dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The arbitrators so chosen shall within twenty (20) Calendar Days select one

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of them to chair the arbitration panel. In each case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules") and any applicable FERC regulations or RTO rules; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Section 13, the terms of this Section 13 shall prevail.

13.5.3 Arbitration Decisions.

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor.

The arbitrator(s) shall be authorized only to interpret and apply the provisions of the LGIA and LFIP and shall have no power to modify or

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change any provision of the LGIA and LFIP in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Attachment Facilities, or System Upgrade Facilities.

13.5.4 Costs.

Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable: (1) the cost of the arbitrator chosen by the Party to sit on the three member panel; or (2) one-third the cost of the single arbitrator jointly chosen by the Parties.

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13.6 Local Furnishing Bonds and Other Tax-Exempt Financing.

13.6.1 Connecting Transmission Owners That and Affected Transmission Owner(s) that Own Facilities Financed by Local Furnishing Bonds or Other Tax-Exempt Bonds.

This provision is applicable only to a Connecting Transmission Owner or Affected Transmission Owner(s) that has financed facilities with tax-exempt bonds including, but not limited to, Local Furnishing Bonds ("Tax-Exempt Bonds"). Notwithstanding any other provision of this LGIA and LFIP, neither NYISO nor Connecting Transmission Owner shall be required to provide interconnection service to Developer pursuant to this LGIA and LFIP if the provision of such interconnection service would jeopardize the tax-exempt status of any Tax-Exempt Bonds or impair the ability of Connecting Transmission Owner or Affecting Transmission Owner(s) to issue future tax-exempt obligations. For purposes of this provision, Tax-Exempt Bonds shall include the obligations of the Long Island Power Authority, NYPA and Consolidated Edison Company of New York, Inc., the interest on which is not included in gross income under the Internal Revenue Code.

13.6.2 Alternate Procedures for Requesting Interconnection Service.

If Connecting Transmission Owner or Affected Transmission Owner(s) determines that the provision of interconnection service requested by Developer would jeopardize the tax-exempt status

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of any Tax-Exempt Bond(s) used to finance its facilities that would be used in providing such interconnection service, or impair its ability to issue future tax-exempt obligations, Connecting Transmission Owner or Affected Transmission Owner(s) shall advise Developer and NYISO within thirty (30) Calendar days of receipt of the Interconnection Request.

Developer thereafter may renew its request for interconnection using the process specified in Article 5.2(ii) of the NYISO OATT.

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First Revised Sheet No. 811
Superseding Substitute Original Sheet No. 811

APPENDICES TO LFIP

- APPENDIX 1 INTERCONNECTION REQUEST
- APPENDIX 2 INTERCONNECTION FEASIBILITY STUDY AGREEMENT
- APPENDIX 3 INTERCONNECTION SYSTEM RELIABILITY IMPACT STUDY AGREEMENT
- APPENDIX 4 INTERCONNECTION FACILITIES STUDY AGREEMENT
- APPENDIX 5 OPTIONAL INTERCONNECTION STUDY AGREEMENT
- APPENDIX 6 STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT

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APPENDIX 1 to TO LFIP
INTERCONNECTION REQUEST

1. The undersigned Developer submits this request to interconnect its Large Generating Facility or Merchant Transmission Facility with the New York State Transmission System pursuant to the Large Facility Interconnection Procedures in the NYISO OATT.
2. This Interconnection Request is for (check one):

_____ A proposed new Large Generating Facility, named _____.

_____ A proposed new Merchant Transmission Facility, named _____.

_____ An increase in the capacity of an existing Large Generating Facility or existing Merchant Transmission Facility.
3. The type of interconnection service ~~provided~~ evaluation requested for Class Year
Interconnection Facilities Study:

_____ ~~Network Access~~ Energy Resource Interconnection Service

_____ Capacity Resource Interconnection Service

_____ Partial Capacity Resource Interconnection Service
4. The Developer provides the following information:
 - a. Address or location or the proposed new Large Facility site (to the extent known) or, in the case of an existing Generating Facility or Merchant Transmission Facility, the name and specific location of that existing facility;
 - b. Maximum summer at _____ degrees C and winter at _____ degrees C megawatt electrical output of the proposed new Large Facility or the amount of megawatt increase in the capacity of an existing facility;
 - c. Megawatt allocation for partial CRIS evaluation;
 - d. General description of the equipment configuration;
 - e. In-Service Date, and Commercial Operation Date (Day, Month, and Year);
 - f. Name, title, company address, telephone number, FAX number and e-mail address of the Developer's contact person;

- ~~fg.~~ Approximate location of the proposed Point of Interconnection (optional); and
~~gh.~~ Interconnection Customer Data (set forth in Attachment A).
5. Applicable deposit amount as specified in the LFIP.
6. Evidence of Site Control as specified in the LFIP (check one)

_____ Is attached to this Interconnection Request

_____ Will be provided at a later date in accordance with the Large Facility
Interconnection Procedures

7. This Interconnection Request shall be submitted to the representative indicated below:

[To be completed by the NYISO]

8. Representative of the Developer to contact:

[To be completed by Developer]

9. This Interconnection Request is submitted by:

Name of Developer:

By (signature): _____

Name (type or print): _____

Title: _____

Date: _____

**Attachment A To Appendix 1
Interconnection Request**

LARGE GENERATING FACILITY DATA

UNIT RATINGS

kVA _____ °F _____ Voltage _____
Power Factor _____
Speed (RPM) _____ Connection (e.g. Wye) _____
Short Circuit Ratio _____ Frequency, Hertz _____
Stator Amperes at Rated kVA _____ Field Volts _____
Max Turbine MW _____ °F _____

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = _____ kW sec/kVA

Moment-of-Inertia, WR² = _____ 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} _____

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Negative Sequence - saturated X2v _____
Negative Sequence - unsaturated X2i _____
Zero Sequence - saturated X0v _____
Zero Sequence - unsaturated X0i _____
Leakage Reactance Xlm _____

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 Ta3 _____
Line to Line Short Circuit Ta2 _____
Line to Neutral Short Circuit Ta1 _____

NOTE: If requested information is not applicable, indicate by marking "N / A."

**MW CAPABILITY AND PLANT CONFIGURATION
LARGE GENERATING FACILITY DATA**

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

Positive R1 _____
Negative R2 _____
Zero R0 _____

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Rotor Short Time Thermal Capacity I_2^2t = _____
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 _____

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IMPEDANCE

Positive Z1 (on self-cooled kVA rating) _____ % _____ X/R

Zero Z0 (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:

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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 the NYISO prior to submitting the Interconnection Request to determine if the information designated by (*) is required.

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MERCHANT TRANSMISSION FACILITIES:

Note: Please consult with the NYISO prior to submitting the Interconnection Request for guidance on the information required for Merchant Transmission Facilities.

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APPENDIX 2 TO LFIP

INTERCONNECTION FEASIBILITY STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 20__ by and among _____, a _____ organized and existing under the laws of the State of _____, ("Developer,"), the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York ("NYISO"), and _____ a _____ organized and existing under the laws of the State of New York, ("Connecting Transmission Owner"). Developer, NYISO and Connecting Transmission Owner each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Developer desires to interconnect the Large Facility with the New York State Transmission System; and

WHEREAS, Developer has requested the NYISO to perform an Interconnection Feasibility Study with the input and assistance of Connecting Transmission Owner to assess the feasibility of interconnecting the proposed Large Facility to the New York State 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 the NYISO's Commission-approved Standard Large Facility Interconnection Procedures.
- 2.0 Developer elects and NYISO shall cause to be performed an Interconnection Feasibility Study consistent with Section 6.0 of the Standard Large Facility Interconnection Procedures in accordance with the NYISO OATT. The terms of Sections 6, 13.1 and 13.3 of the LFIP, as applicable, are hereby incorporated by reference herein.

- 3.0 The scope of the Interconnection Feasibility Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Interconnection Feasibility Study shall be based on the technical information provided by Developer in the Interconnection Request, as may be modified as the result of the Scoping Meeting. NYISO reserves the right to request additional information from Developer and Connecting Transmission Owner as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Feasibility Study and as designated in accordance with Section 3.3.4 of the LFIP and such additional information shall be provided in a prompt manner. If, after the designation of the Point of Interconnection pursuant to Section 3.3.4 of the LFIP, Developer modifies its Interconnection Request pursuant to Section 4.4, the time to complete the Interconnection Feasibility Study may be extended.
- 5.0 The Interconnection Feasibility Study report shall provide the following information:
- preliminary identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - preliminary identification of any thermal overload or voltage limit violations resulting from the interconnection; and
 - preliminary description and non-binding estimated cost of facilities required to interconnect the Large Facility to the New York State Transmission System and to address the identified short circuit and power flow issues.
- 6.0 The Developer shall provide a deposit of \$10,000 for the performance of work in furtherance of the Interconnection Feasibility Study.

Upon receipt of the Interconnection Feasibility Study the NYISO shall charge and Developer shall pay to NYISO the actual costs of the Interconnection Feasibility Study incurred by the NYISO and Connecting Transmission Owner as computed on a time and materials basis in accordance with the rates attached hereto.

Any difference between the deposit and the reasonable, actual cost of work performed in furtherance of the study shall be paid by or refunded to the Developer, as appropriate.

7.0 Miscellaneous.

- 7.1 Accuracy of Information. Except as Developer or Connecting Transmission Owner may otherwise specify in writing when they provide information to the NYISO under this Agreement, Developer and Connecting Transmission Owner each represent and warrant that the information it provides to NYISO shall be accurate and complete as of the date the information is provided. Developer and Connecting Transmission Owner shall each promptly provide NYISO with any additional information needed to update information previously provided.
- 7.2 Disclaimer of Warranty. In preparing the Interconnection Feasibility Study, the Party preparing such study and any subcontractor consultants employed by it shall have to rely on information provided by the other Parties, and possibly by third parties, and may not have control over the accuracy of such information. Accordingly, neither the Party preparing the Interconnection Feasibility Study nor any subcontractor consultant employed by that Party makes any warranties, express or implied, whether arising by operation of law, course of performance or dealing, custom, usage in the trade or profession, or otherwise, including without limitation implied warranties of merchantability and fitness for a particular purpose, with regard to the accuracy, content, or conclusions of the Interconnection Feasibility Study. Developer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.
- 7.3 Limitation of Liability. In no event shall any Party or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the Interconnection Feasibility Study or any reliance on the Interconnection Feasibility Study by any Party or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any Party or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under this Agreement.

- 7.4 Third-Party Beneficiaries. Without limitation of Sections 7.2 and 7.3 of this Agreement, Developer and Connecting Transmission Owner further agree that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, an Interconnection Feasibility Study shall be deemed third party beneficiaries of these Sections 7.2 and 7.3.
- 7.5 Term and Termination. This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 7.5, shall continue in effect for a term of one year or until the Interconnection Feasibility Study for Developer's Large Facility is completed, whichever event occurs first. Developer or NYISO may terminate this Agreement upon the withdrawal of Developer's Interconnection Request under Section 3.6 of the LFIP.
- 7.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to any choice of laws provisions.
- 7.7 Severability. In the event that any part of this Agreement is deemed as a matter of law to be unenforceable or null and void, such unenforceable or void part shall be deemed severable from this Agreement and the Agreement shall continue in full force and effect as if each part was not contained herein.
- 7.8 Counterparts. This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as the original instrument.
- 7.9 Amendment. No amendment, modification or waiver of any term hereof shall be effective unless set forth in writing signed by the Parties hereto.
- 7.10 Survival. All warranties, limitations of liability and confidentiality provisions provided herein shall survive the expiration or termination hereof.
- 7.11 Independent Contractor. NYISO shall at all times be deemed to be an independent contractor and none of its employees or the employees of its subcontractors shall be considered to be employees of Developer or Connecting Transmission Owner as a result of this Agreement.

New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

~~First-Second~~ Revised Sheet No. 824
Superseding ~~Substitute-Original-First Revised~~ Sheet No. 824

- 7.12 No Implied Waivers. The failure of a Party to insist upon or enforce strict performance of any of the provisions of this Agreement shall not be construed as a waiver or relinquishment to any extent of such party's right to insist or rely on any such provision, rights and remedies in that or any other instances; rather, the same shall be and remain in full force and effect.
- 7.13 Successors and Assigns. This Agreement, and each and every term and condition hereof, shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

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.

NYISO

[Insert name of Connecting Transmission Owner]

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

[Insert name of Developer]

By: _____

Title: _____

Date: _____

Issued by: ~~William J. Museler, President~~ Elaine D. Robinson, Dir. Reg. Affairs Effective: August ~~64~~, 20048
Issued on: ~~October 5~~ August 4, 20048
Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000. et al., -001
and -002, issued August ~~6~~ March 21, 20048, 10822 FERC ¶ 61,459 267 (20048).

New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

~~First~~ Second Revised Sheet No. 825
Superseding ~~Substitute Original~~ First Revised Sheet No. 825

**Attachment A to Appendix 2
Interconnection Feasibility
Study Agreement**

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

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

Designation of Point of Interconnection and configuration to be studied.

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

[Above assumptions to be completed by Developer and other assumptions to be provided by Developer, NYISO, and Connecting Transmission Owner]

Issued by: ~~William J. Museler, President~~ Elaine D. Robinson, Dir. Reg. Affairs Effective: August ~~64~~, 20048
Issued on: ~~October 5~~ August 4, 20048
Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, et al., -001 and -002, issued August ~~6~~ March 21, 20048, 10822 FERC ¶ 61,459 267 (20048).

APPENDIX 3 TO LFIP

INTERCONNECTION SYSTEM RELIABILITY IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 20__ by and among _____, a _____ organized and existing under the laws of the State of _____, ("Developer,"), the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York ("NYISO"), and _____ a _____ organized and existing under the laws of the State of New York, ("Connecting Transmission Owner"). Developer, NYISO and Connecting Transmission Owner each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Developer desires to interconnect the Large Facility with the New York State Transmission System;

WHEREAS, the NYISO has completed an Interconnection Feasibility Study (the "Feasibility Study") and provided the results of said study to the Developer (this recital to be omitted if neither the NYISO nor the Connecting Transmission Owner require the Feasibility Study); and

WHEREAS, Developer has requested the NYISO to perform an Interconnection System Reliability Impact Study to assess the impact of interconnecting the Large Facility to the New York State 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 the NYISO's Commission-approved Standard Large Facility Interconnection Procedures.

- 2.0 Developer elects and NYISO shall cause to be performed an Interconnection System Reliability Impact Study consistent with Section 7.0 of the Standard Large Facility Interconnection Procedures in accordance with the NYISO OATT. The terms of Sections 7, 13.1 and 13.3 of the LFIP, as applicable, are hereby incorporated by reference herein.
- 3.0 The scope of the Interconnection System Reliability Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Interconnection System Reliability Impact Study will be based upon the results of the Interconnection Feasibility Study, if conducted, and the technical information provided by Developer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the LFIP. NYISO reserves the right to request additional information from Developer and Connecting Transmission Owner as may reasonably become necessary consistent with Good Utility Practice during the course of the SRIS and such additional information shall be provided in a prompt manner. If Developer modifies its designated Point of Interconnection, or the technical information provided in the Interconnection Request is modified, the time to complete the Interconnection System Reliability Impact Study may be extended.
- 5.0 The Interconnection System Reliability 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 Large Facility to the New York State Transmission System and to address the identified short circuit, instability, and power flow issues.

- 6.0 The Developer shall provide a deposit of \$50,000 for the performance of work in furtherance of the Interconnection System Reliability Impact Study. The NYISO's good faith estimate for the time of completion of the Interconnection System Reliability Impact Study is [insert date].

Upon receipt of the Interconnection System Reliability Impact Study, NYISO shall charge and Developer shall pay to NYISO the actual costs of the Interconnection System Reliability Impact Study incurred by the NYISO and Connecting Transmission Owner, as computed on a time and materials basis in accordance with the rates attached hereto.

Any difference between the deposit and the reasonable, actual cost of work performed in furtherance of the study shall be paid by or refunded to the Developer, as appropriate.

7.0 Miscellaneous.

- 7.1 Accuracy of Information. Except as Developer or Connecting Transmission Owner may otherwise specify in writing when they provide information to the NYISO under this Agreement, Developer and Connecting Transmission Owner each represent and warrant that the information it provides to NYISO shall be accurate and complete as of the date the information is provided. Developer and Connecting Transmission Owner shall each promptly provide NYISO with any additional information needed to update information previously provided.

- 7.2 Disclaimer of Warranty. In preparing the Interconnection System Reliability Study, the Party preparing such study and any subcontractor consultants employed by it shall have to rely on information provided by the other Parties, and possibly by third parties, and may not have control over the accuracy of such information. Accordingly, neither the Party preparing the Interconnection System Reliability Study nor any subcontractor consultant employed by that Party makes any warranties, express or implied, whether arising by operation of law, course of performance or dealing, custom, usage in the trade or profession, or otherwise, including without limitation implied warranties of merchantability and fitness for a particular purpose, with regard to the accuracy, content, or conclusions of the SRIS. Developer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.

Issued by: ~~William J. Museler, President~~ Elaine D. Robinson, Dir. Reg. Affairs

Effective: ~~August 16~~ August 4, 2004

Issued on: ~~October 15~~ August 4, 2004

~~Filed to comply with order of the Federal Energy Regulatory Commission, Docket Nos. ER04-449-001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).~~ Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, *et al.*, issued March 21, 2008, 122 FERC ¶ 61,267 (2008).

- 7.3 Limitation of Liability. In no event shall any Party or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the Interconnection System Reliability Study or any reliance on the Interconnection System Reliability Study by any Party or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any Party or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under this Agreement.
- 7.4 Third-Party Beneficiaries. Without limitation of Sections 7.2 and 7.3 of this Agreement, Developer and Connecting Transmission Owner further agree that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, an Interconnection System Reliability Study shall be deemed third party beneficiaries of these Sections 7.2 and 7.3.
- 7.5 Term and Termination. This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 7.5, shall continue in effect for a term of one year or until the Interconnection System Reliability Study for Developer's Large Facility is completed [approved by the NYISO Operating Committee], whichever event occurs first. Developer or NYISO may terminate this Agreement upon the withdrawal of Developer's Interconnection Request under Section 3.6 of the LFIP.
- 7.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to any choice of laws provisions.
- 7.7 Severability. In the event that any part of this Agreement is deemed as a matter of law to be unenforceable or null and void, such unenforceable or void part shall be deemed severable from this Agreement and the Agreement shall continue in full force and effect as if each part was not contained herein.
- 7.8 Counterparts. This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as the original instrument.

- 7.9 Amendment. No amendment, modification or waiver of any term hereof shall be effective unless set forth in writing signed by the Parties hereto.
- 7.10 Survival. All warranties, limitations of liability and confidentiality provisions provided herein shall survive the expiration or termination hereof.
- 7.11 Independent Contractor. NYISO shall at all times be deemed to be an independent contractor and none of its employees or the employees of its subcontractors shall be considered to be employees of Developer or Connecting Transmission Owner as a result of this Agreement.
- 7.12 No Implied Waivers. The failure of a Party to insist upon or enforce strict performance of any of the provisions of this Agreement shall not be construed as a waiver or relinquishment to any extent of such party's right to insist or rely on any such provision, rights and remedies in that or any other instances; rather, the same shall be and remain in full force and effect.
- 7.13 Successors and Assigns. This Agreement, and each and every term and condition hereof, shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

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.

NYISO

[Insert name of Connecting Transmission Owner]

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

[Insert name of Developer]

By: _____

Title: _____

Date: _____

New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

~~First~~ Second Revised Sheet No. 831
Superseding ~~Substitute Original~~ First Revised Sheet No. 831

**Attachment A To Appendix 3
Interconnection System Reliability Impact
Study Agreement**

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

The Interconnection System Reliability Impact Study will be based upon the results of the Interconnection Feasibility Study, subject to any modifications in accordance with Section 4.4 of the LFIP, 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 Developer and other assumptions to be provided by Developer, NYISO and Connecting Transmission Owner]

Issued by: ~~William J. Museler, President~~ Elaine D. Robinson, Dir. Reg. Affairs Effective: August ~~64~~, 20048
Issued on: ~~October 5~~ August 4, 20048
Filed to comply with order of the Federal Energy Regulatory Commission. Docket No. ER04-449-000, et al. -001
and -002, issued August ~~6~~ March 21, 20048, 10822 FERC ¶ 61,459 267 (20048).

APPENDIX 4 TO LFIP

INTERCONNECTION FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 20__ by and among _____, a _____ organized and existing under the laws of the State of _____, ("Developer,"), the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York ("NYISO"), and _____ a _____ organized and existing under the laws of the State of New York ("Connecting Transmission Owner"). Developer, NYISO and Connecting Transmission Owner each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Developer desires to interconnect the Large Facility with the New York State Transmission System;

WHEREAS, the NYISO has completed an Interconnection System Reliability Impact Study and provided the results of said study to the Developer; and

WHEREAS, Developer has requested the NYISO and Connecting Transmission Owner 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 Interconnection System Reliability Impact Study in accordance with Good Utility Practice to physically and electrically connect the Large Facility to the New York 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 the NYISO's Commission-approved Standard Large Facility Interconnection Procedures.

- 2.0 Developer elects to be evaluated for [] Interconnection Service and NYISO shall cause to be performed an Interconnection Facilities Study consistent with Section 8.0 of the Standard Large Facility Interconnection Procedures to be performed in accordance with the NYISO OATT. The terms of Sections 8, 13.1 and 13.3 of the LFIP, as applicable, are hereby incorporated by reference herein.
- 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 Large Facility to the New York State Transmission System and (ii) shall address the short circuit, instability, and power flow issues identified in the Interconnection System Reliability Impact Study.
- 5.0 The Developer shall provide a deposit of \$100,000 for the performance of the Interconnection Facilities Study. The time for completion of the Interconnection Facilities Study is specified in Attachment A.
- NYISO shall invoice Developer on a monthly basis for the expenses incurred by NYISO and the Connecting Transmission Owner on the Interconnection Facilities Study each month as computed on a time and materials basis in accordance with the rates attached hereto. Developer shall pay invoiced amounts to NYISO within thirty (30) Calendar Days of receipt of invoice. NYISO shall continue to hold the amounts on deposit until settlement of the final invoice.
- 6.0 Miscellaneous.
- 6.1 Accuracy of Information. Except as Developer or Connecting Transmission Owner may otherwise specify in writing when they provide information to the NYISO under this Agreement, Developer and Connecting Transmission Owner each represent and warrant that the information it provides to NYISO shall be accurate and complete as of the date the information is provided. Developer and Connecting Transmission Owner shall each promptly provide NYISO with any additional information needed to update information previously provided.

- 6.2 Disclaimer of Warranty. In preparing the Interconnection Facilities Study, the Party preparing such study and any subcontractor consultants employed by it shall have to rely on information provided by the other Parties, and possibly by third parties, and may not have control over the accuracy of such information. Accordingly, neither the Party preparing the Interconnection Facilities Study nor any subcontractor consultant employed by that Party makes any warranties, express or implied, whether arising by operation of law, course of performance or dealing, custom, usage in the trade or profession, or otherwise, including without limitation implied warranties of merchantability and fitness for a particular purpose, with regard to the accuracy, content, or conclusions of the Interconnection Facilities Study. Developer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.
- 6.3 Limitation of Liability. In no event shall any Party or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the Interconnection Facilities Study or any reliance on the Interconnection Facilities Study by any Party or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any Party or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under this Agreement.
- 6.4 Third-Party Beneficiaries. Without limitation of Sections 7.2 and 7.3 of this Agreement, Developer and Connecting Transmission Owner further agree that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, an Interconnection Facilities Study shall be deemed third party beneficiaries of these Sections 7.2 and 7.3.
- 6.5 Term and Termination. This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 6.5, shall continue in effect for a term of one year or until the Interconnection Facilities Study for Developer's Large Facility is completed [approved by the NYISO Operating Committee], whichever event occurs first. Developer or NYISO may terminate this Agreement upon the withdrawal of Developer's Interconnection Request under Section 3.6 of the LFIP.

- 6.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to any choice of laws provisions.
- 6.7 Severability. In the event that any part of this Agreement is deemed as a matter of law to be unenforceable or null and void, such unenforceable or void part shall be deemed severable from this Agreement and the Agreement shall continue in full force and effect as if each part was not contained herein.
- 6.8 Counterparts. This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as the original instrument.
- 6.9 Amendment. No amendment, modification or waiver of any term hereof shall be effective unless set forth in writing signed by the Parties hereto.
- 6.10 Survival. All warranties, limitations of liability and confidentiality provisions provided herein shall survive the expiration or termination hereof.
- 6.11 Independent Contractor. NYISO shall at all times be deemed to be an independent contractor and none of its employees or the employees of its subcontractors shall be considered to be employees of Developer or Connecting Transmission Owner as a result of this Agreement.
- 6.12 No Implied Waivers. The failure of a Party to insist upon or enforce strict performance of any of the provisions of this Agreement shall not be construed as a waiver or relinquishment to any extent of such party's right to insist or rely on any such provision, rights and remedies in that or any other instances; rather, the same shall be and remain in full force and effect.
- 6.13 Successors and Assigns. This Agreement, and each and every term and condition hereof, shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

~~First~~ Second Revised Sheet No. 836
Superseding ~~Substitute Original~~ First Revised Sheet No. 836

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.

NYISO

[Insert name of Connecting Transmission Owner]

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

[Insert name of Developer]

By: _____

Title: _____

Date: _____

**Attachment A To Appendix 4
Interconnection Facilities
Study Agreement**

**SCHEDULE FOR CONDUCTING THE
INTERCONNECTION FACILITIES STUDY**

The NYISO and Connecting Transmission Owner shall use Reasonable Efforts to complete the study and issue an Interconnection Facilities Study report to the Developer within the following number of days after of receipt of an executed copy of this Interconnection Facilities Study Agreement:

- scheduled completion date for Class Year 20__ Interconnection Facility Study for the Annual Transmission Reliability Assessment required by Attachment S to the NYISO OATT: ____/____/____.

Issued by: ~~William J. Museler, President~~ Elaine D. Robinson, Dir. Reg. Affairs Effective: August ~~64~~, 20048
Issued on: ~~October 5~~ August 4, 20048
Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, et al., -001 and -002, issued August ~~6~~ March 21, 20048, 10822 FERC ¶ 61,159267 (20048).

New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

~~First~~ Second Revised Sheet No. 837
Superseding ~~Substitute Original~~ First Revised Sheet No. 837

**Attachment B Appendix 4
Interconnection Facilities
Study Agreement**

**DATA FORM TO BE PROVIDED BY DEVELOPER
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.

Finalize and specify your Interconnection Service evaluation election for the Class Year Facilities Study as either Energy Resource Interconnection Service alone, for both energy Resource Interconnection Service and some MW level of Capacity Resource Interconnection Service (some MW level of CRIS election required to become a qualified Installed Capacity Supplier or to receive Unforced Capacity Deliverability Rights), Evaluation election:

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

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

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

Issued by: ~~William J. Museler, President~~ Elaine D. Robinson, Dir. Reg. Affairs Effective: August 64, 20048
Issued on: ~~October 5~~ August 4, 20048
Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, et al. -001
and -002, issued August 6 March 21, 20048, 10822 FERC ¶ 61,459267 (20048).

New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

~~First~~Second Revised Sheet No. 838
Superseding ~~Substitute Original~~First Revised Sheet No. 838

Physical dimensions of the proposed interconnection station:

Bus length from generation to interconnection station:

Line length from interconnection station to Connecting Transmission Owner'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 Connecting Transmission Owner.

Is the Large Facility in the Transmission Owner's service area?

_____ Yes _____ No Local provider: _____

Please provide proposed schedule dates:

Begin Construction Date: _____

Generator step-up transformer
receives back feed power Date: _____

Generation Testing Date: _____

Commercial Operation Date: _____

Issued by: ~~William J. Museler, President~~ Elaine D. Robinson, Dir. Reg. Affairs Effective: August ~~64~~, 20048

Issued on: ~~October 5~~ August 4, 20048

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, et al., ~~001~~
and ~~002~~, issued August ~~6~~ March 21, 20048, 10822 FERC ¶ 61,459267 (20048).

APPENDIX 5 TO LFIP

OPTIONAL INTERCONNECTION STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 20__ by and among _____, a _____ organized and existing under the laws of the State of _____, ("Developer,"), the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York ("NYISO") and _____ a _____ organized and existing under the laws of the State of New York, ("Connecting Transmission Owner"). Developer, NYISO and Connecting Transmission Owner each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Developer is proposing to establish an interconnection with the New York State Transmission System; and

WHEREAS, Developer has submitted to NYISO an Interconnection Request; and

WHEREAS, Developer has further requested that the NYISO prepare an Optional Interconnection Study concurrently with the Interconnection System Reliability Impact Study;

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

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the NYISO's Commission-approved Standard Large Facility Interconnection Procedures.
- 2.0 Developer elects and NYISO shall cause to be performed an Optional Interconnection Study consistent with Section 10.0 of the Standard Large Facility Interconnection Procedures to be performed in accordance with the NYISO OATT. The terms of Sections 10, 13.1 and 13.3 of the CFIP, as applicable, are hereby incorporated by reference herein.

Issued by: ~~William J. Museler, President~~ Elaine D. Robinson, Dir. Reg. Affairs Effective: August 64, 20048
Issued on: ~~October 5~~ August 4, 20048

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000. et al.-001
and -002, issued August 6 March 21, 20048, 10822 FERC ¶ 61,459267 (20048).

- 3.0 The scope of the Optional Interconnection Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Optional Interconnection Study shall be performed solely for informational purposes.
- 5.0 The Optional Interconnection Study report shall provide a sensitivity analysis based on the assumptions specified by the Developer in Attachment A to this Agreement. The Optional Interconnection Study will identify the Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities, and the estimated cost thereof, that may be required to provide Network Access Interconnection Service based upon the assumptions specified by the Developer in Attachment A.
- 6.0 The Developer shall provide a deposit of \$10,000 for the performance of the Optional Interconnection Study. The NYISO's good faith estimate for the time of completion of the Optional Interconnection Study is [insert date].

Upon receipt of the Optional Interconnection Study, the NYISO shall charge and Developer shall pay to NYISO the actual costs of the Optional Study incurred by the NYISO and Connecting Transmission Owner, as computed on a time and material basis in accordance with the rates attached hereto.

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

- 7.0 Miscellaneous.
- 7.1 Accuracy of Information. Except as Developer or Connecting Transmission Owner may otherwise specify in writing when they provide information to the NYISO under this Agreement, Developer and Connecting Transmission Owner each represent and warrant that the information it provides to NYISO shall be accurate and complete as of the date the information is provided. Developer and Connecting Transmission Owner shall each promptly provide NYISO with any additional information needed to update information previously provided.

- 7.2 Disclaimer of Warranty. In preparing the Optional Interconnection Study, the Party preparing such study and any subcontractor consultants employed by it shall have to rely on information provided by the other Parties, and possibly by third parties, and may not have control over the accuracy of such information. Accordingly, neither the Party preparing the Optional Interconnection Study nor any subcontractor consultant employed by that Party makes any warranties, express or implied, whether arising by operation of law, course of performance or dealing, custom, usage in the trade or profession, or otherwise, including without limitation implied warranties of merchantability and fitness for a particular purpose, with regard to the accuracy, content, or conclusions of the Optional Interconnection Study. Developer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.
- 7.3 Limitation of Liability. In no event shall any Party or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the Optional Interconnection Study or any reliance on the Optional Interconnection System Study by any Party or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any Party or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under this Agreement.
- 7.4 Third-Party Beneficiaries. Without limitation of Sections 7.2 and 7.3 of this Agreement, Developer and Connecting Transmission Owner further agree that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, an Optional Interconnection Study shall be deemed third party beneficiaries of these Sections 7.2 and 7.3.
- 7.5 Term and Termination. This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 7.5, shall continue in effect for a term of one year or until the Optional Interconnection Study for Developer's Large Facility is completed, whichever event occurs first. Developer or NYISO may terminate this Agreement upon the withdrawal of Developer's Interconnection Request under Section 3.6 of the LFIP.

- 7.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to any choice of laws provisions.
- 7.7 Severability. In the event that any part of this Agreement is deemed as a matter of law to be unenforceable or null and void, such unenforceable or void part shall be deemed severable from this Agreement and the Agreement shall continue in full force and effect as if each part was not contained herein.
- 7.8 Counterparts. This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as the original instrument.
- 7.9 Amendment. No amendment, modification or waiver of any term hereof shall be effective unless set forth in writing signed by the Parties hereto.
- 7.10 Survival. All warranties, limitations of liability and confidentiality provisions provided herein shall survive the expiration or termination hereof.
- 7.11 Independent Contractor. NYISO shall at all times be deemed to be an independent contractor and none of its employees or the employees of its subcontractors shall be considered to be employees of Developer or Connecting Transmission Owner as a result of this Agreement.
- 7.12 No Implied Waivers. The failure of a Party to insist upon or enforce strict performance of any of the provisions of this Agreement shall not be construed as a waiver or relinquishment to any extent of such party's right to insist or rely on any such provision, rights and remedies in that or any other instances; rather, the same shall be and remain in full force and effect.
- 7.13 Successors and Assigns. This Agreement, and each and every term and condition hereof, shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

~~First~~ Second Revised Sheet No. 843
Superseding ~~Substitute Original~~ First Revised Sheet No. 843

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.

NYISO

[Insert name of Connecting Transmission Owner]

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

[Insert name of Developer]

By: _____

Title: _____

Date: _____

Attachment A
Appendix 5
Optional Interconnection
Study Agreement

ASSUMPTIONS USED IN CONDUCTING
THE OPTIONAL INTERCONNECTION STUDY

[To be completed by Developer consistent with Section 10 of the LFIP.]

Issued by: ~~William J. Museler, President~~ Elaine D. Robinson, Dir. Reg. Affairs Effective: August 6~~4~~, 2004~~8~~
Issued on: ~~October 5~~ August 4, 2004~~8~~
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New York Independent System Operator, Inc.
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Attachment X

First Revised Sheet No. 844
Superseding Substitute Original Sheet No. 844

Reserved for future use.

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New York Independent System Operator, Inc.
FERC Electric Tariff
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Appendix 6

**STANDARD LARGE GENERATOR
INTERCONNECTION AGREEMENT**

(Applicable to Generating Facilities that exceed 20 MW)

Issued by: William J. Museler, President
Issued on: October 5, 2004

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Superseding ~~Substitute Original~~ First Revised Sheet No. 854

STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT

THIS STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT ("Agreement") is made and entered into this ____ day of _____ 20__, by and among _____, a [corporate description] organized and existing under the laws of the State/Commonwealth of _____ ("Developer" with a Large Generating Facility), the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York ("NYISO"), and _____ a [corporate description] organized and existing under the laws of the State of New York ("Connecting Transmission Owner"). Developer, the NYISO, or Connecting Transmission Owner each may be referred to as a "Party" or collectively referred to as the "Parties."

RECITALS

WHEREAS, NYISO operates the Transmission System and Connecting Transmission Owner owns certain facilities included in the Transmission System; and

WHEREAS, Developer intends to own, lease and/or control and operate the Generating Facility identified as a Large Generating Facility in Appendix C to this Agreement; and,

WHEREAS, Developer, NYISO, and Connecting Transmission Owner have agreed to enter into this Agreement for the purpose of interconnecting the Large Generating Facility with the New York State Transmission System;

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

Issued by: ~~William J. Museler, President~~ Elaine D. Robinson, Dir. Reg. Affairs Effective: August ~~64~~, 20048
Issued on: ~~October 5~~ August 4, 20048
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ARTICLE 1. DEFINITIONS

Whenever used in this Agreement with initial capitalization, the following terms shall have the meanings specified in this Article 1. Terms used in this Agreement with initial capitalization that are not defined in this Article 1 shall have the meanings specified in Section 1.0 or Attachment S of the NYISO OATT.

Affected System shall mean an electric system other than the transmission system owned, controlled or operated by the NYISO or the Connecting Transmission Owner that may be affected by the proposed interconnection.

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

Affected Transmission Owner shall mean the New York public utility or authority (or its designated agent) other than the Connecting Transmission Owner that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the Tariff, and (ii) owns, leases or otherwise possesses an interest in a portion of the New York State Transmission System where System Deliverability Upgrades or System Upgrade Facilities are installed pursuant to Attachment X and Attachment S of the Tariff.

Affiliate shall mean, with respect to a person or entity, any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust or unincorporated organization, directly or indirectly controlling, controlled by, or under common control with, such person or entity. The term "control" shall mean the possession, directly or indirectly, of the power to direct the management or policies of a person or an entity. A voting interest of ten percent or more shall create a rebuttable presumption of control.

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 New York State 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, including but not limited to Environmental Law.

Applicable Reliability Councils shall mean the NERC, the NPCC and the NYSRC.

New York Independent System Operator, Inc.
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~~First~~ Second Revised Sheet No. 856
Superseding ~~Substitute Original~~ First Revised Sheet No. 856

Applicable Reliability Standards shall mean the requirements and guidelines of the Applicable Reliability Councils, and the Transmission District to which the Developer's Large Generating Facility is directly interconnected, as those requirements and guidelines are amended and modified and in effect from time to time; provided that no Party shall waive its right to challenge the applicability or validity of any requirement or guideline as applied to it in the context of this Agreement.

Attachment Facilities shall mean the Connecting Transmission Owner's Attachment Facilities and the Developer's Attachment Facilities. Collectively, Attachment Facilities include all facilities and equipment between the Large Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Large Generating Facility to the New York State Transmission System. Attachment Facilities are sole use facilities and shall not include Stand Alone System Upgrade Facilities or System Upgrade Facilities or System Deliverability Upgrades.

Base Case shall mean the base case power flow, short circuit, and stability data bases used for the Interconnection Studies by NYISO, Connecting Transmission Owner or Developer; described in Section 2.3 of the Large Facility Interconnection Procedures.

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

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

Business Day shall mean Monday through Friday, excluding federal holidays.

Byway shall mean all transmission facilities comprising the New York State Transmission System that are neither Highways nor Other Interfaces. All transmission facilities within capacity zone J and capacity zone K are Byways.

Calendar Day shall mean any day including Saturday, Sunday or a federal holiday.

Capacity Region shall mean one of three subsets of the Installed Capacity statewide markets comprised of Rest of State (zones A through J), Long Island (zone K), and New York City (zone J).

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and ~~002~~, issued August 6~~4~~ March 21, 2004~~8~~, 108~~22~~ FERC ¶ 61,459 267 (2004~~8~~)).

Capacity Resource Interconnection Service ("CRIS") shall mean the service provided by NYISO to interconnect the Developer's large Generating Facility or Merchant Transmission Facility to the New York State Transmission System in accordance with the NYISO Deliverability Interconnection Standard, to enable the New York State Transmission System to deliver electric capacity from the Large Generating Facility or Merchant Transmission Facility, pursuant to the terms of the NYISO OATT.

Class Year Deliverability Study shall mean an assessment, conducted by the NYISO staff in cooperation with Market Participants, to determine the System Deliverability Upgrades required for each generation and merchant transmission project included in the Class Year Interconnection Facilities Study to interconnect to the New York State Transmission System in compliance with the NYISO Deliverability Interconnection Standard.

Clustering shall mean the process whereby a group of Interconnection Requests is studied together, instead of serially, for the purpose of conducting the Interconnection System Reliability Impact Study.

Commercial Operation shall mean the status of a Large 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 Large Generating Facility commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to this Agreement.

Confidential Information shall mean any information that is defined as confidential by Article 22 of this Agreement.

Connecting Transmission Owner shall mean the New York public utility or authority (or its designated agent) that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the Tariff, (ii) owns, leases or otherwise possesses an interest in the portion of the New York State Transmission System at the Point of Interconnection, and (iii) is a Party to the Standard Large Interconnection Agreement.

Connecting Transmission Owner's Attachment Facilities shall mean all facilities and equipment owned, controlled or operated by the Connecting Transmission Owner from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Standard Large Generator Interconnection Agreement, including any modifications, additions or upgrades to such facilities and equipment. Connecting Transmission Owner's Attachment Facilities are sole use facilities and shall not include Stand Alone System Upgrade Facilities or System Upgrade Facilities.

Control Area shall mean an electric power system or combination of electric power systems to which a common automatic generation control scheme is applied 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 Control 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 sufficient generating capacity to maintain Operating Reserves in accordance with Good Utility Practice. A Control Area must be certified by the NPCC.

Default shall mean the failure of a Party in Breach of this Agreement to cure such Breach in accordance with Article 17 of this Agreement.

Deliverability Interconnection Standard shall mean the standard that must be met by generation projects proposing to interconnect to the New York State Transmission System and become a qualified Installed Capacity Supplier, and must be met by any merchant transmission project proposing to interconnect to the New York State Transmission System and receive Unforced Capacity Delivery Rights. To meet the NYISO Deliverability Interconnection Standard, the Developer of the proposed project must, in accordance with the rules in Attachment S to the NYISO OATT, fund or commit to fund the System Deliverability Upgrades identified for its project in the Class Year Deliverability Study.

Developer shall mean an Eligible Customer developing a Large Generating Facility, proposing to connect to the New York State Transmission System, in compliance with the NYISO Minimum Interconnection Standard.

Developer's Attachment Facilities shall mean all facilities and equipment, as identified in Appendix A of this Agreement, that are located between the Large 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 Large Generating Facility to the New York State Transmission System. Developer's Attachment Facilities are sole use facilities.

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~~First~~ Second Revised Sheet No. 858
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Dispute Resolution shall mean the procedure described in Article 27 of this Agreement for resolution of a dispute between the Parties.

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

Emergency State shall mean the condition or state that the New York State Power System is in when an abnormal condition occurs that requires automatic or immediate manual action to prevent or limit loss of the New York State Transmission System or Generators that could adversely affect the reliability of the New York State Power System.

Energy Resource Interconnection Service ("ERIS") shall mean the service provided by NYISO to interconnect the Developer's Large Generating Facility or Merchant Transmission Facility to the New York State Transmission System in accordance with the NYISO Minimum Interconnection Standard, to enable the New York State Transmission System to receive electric energy from the Large Generating Facility or Merchant Transmission Facility at the Point of Interconnection, pursuant to the terms of the NYISO OATT.

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

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

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

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.

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

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

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 delineate 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 any of 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 Developer, NYISO Connecting 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.

Highway shall mean 115 kV and higher transmission facilities that comprise the following NYCA interfaces: Dysinger East, West Central, Volney East, Moses South, Central East/Total East, UPNY-SENY and UPNY-ConEd, and their immediately connected, in series, Bulk Power System facilities in the New York State. Each interface shall be evaluated to determine additional "in series" facilities, defined as any transmission facility higher than 115 kV that (a) is located in an upstream or downstream zone adjacent to the interface and (b) has a power transfer distribution factor (DFAX) equal to or greater than five percent when the aggregate of generation in zones or systems adjacent to the upstream zone or zones which define the interface is shifted to the aggregate of generation in zones or systems adjacent to the downstream zone or zones which define the interface. In determining "in series" facilities for Dysinger East and West Central interfaces, the 115 kV and 230 kV tie lines between NYCA and PJM located in LBMP Zones A and B shall not participate in the transfer. Highway transmission facilities are listed in ISO procedures.

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

In-Service Date shall mean the date upon which the Developer reasonably expects it will be ready to begin use of the Connecting Transmission Owner's Attachment Facilities to obtain back feed power.

Interconnection Facilities Study shall mean a study conducted by NYISO or a third party consultant for the Developer to determine a list of facilities (including Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades as identified in the Interconnection System Reliability Impact Study), the cost of those facilities, and the time required to interconnect the Large Generating Facility with the New York State Transmission System. The scope of the study is defined in Section 8 of the Standard Large Facility Interconnection Procedures.

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

Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Large Generating Facility to the New York State Transmission System, the scope of which is described in Section 6 of the Standard Large Facility Interconnection Procedures.

Interconnection Feasibility Study Agreement shall mean the form of agreement contained in Appendix 2 of the Standard Large Facility Interconnection Procedures for conducting the Interconnection Feasibility Study.

Interconnection Request shall mean a Developer's request, in the form of Appendix 1 to the Standard Large Facility Interconnection Procedures, in accordance with the Tariff, to interconnect a new Large Generating Facility to the New York State Transmission System, or to

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~~First~~ Second Revised Sheet No. 861
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increase the capacity of, or make a material modification to the operating characteristics of, an existing Large Generating Facility that is interconnected with the New York State Transmission System.

Interconnection Study shall mean any of the following studies: the Interconnection Feasibility Study, the Interconnection System Reliability Impact Study, and the Interconnection Facilities Study described in the Standard Large Facility Interconnection Procedures.

Interconnection System Reliability Impact Study ("SRIS") shall mean an engineering study, conducted in accordance with Section 7 of the Large Facility Interconnection Procedures, that evaluates the impact of the proposed Large Generating Facility on the safety and reliability of the New York State Transmission System and, if applicable, an Affected System, to determine what Attachment Facilities and System Upgrade Facilities are needed for the proposed Large Generation Facility of the Developer to connect reliably to the New York State Transmission System in a manner that meets the NYISO Minimum Interconnection Standard.

Interconnection System Reliability Impact Study Agreement shall mean the form of agreement contained in Appendix 3 of the Standard Large Facility Interconnection Procedures for conducting the Interconnection System Reliability Impact Study.

IRS shall mean the Internal Revenue Service.

Large Generating Facility shall mean a Generating Facility having a Generating Facility Capacity of more than 20 MW.

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 the Indemnified Party's performance or non-performance 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.

Issued by: ~~William J. Museler, President~~ Elaine D. Robinson, Dir. Reg. Affairs Effective: ~~August~~ July 16, 2004
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New York Independent System Operator, Inc.
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Original Volume No. 1
Attachment X

~~First~~ Second Revised Sheet No. 862
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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 Large Generating Facility pursuant to this 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.

Minimum Interconnection Standard shall mean the reliability standard that must be met by any Large Generating Facility proposing to connect to the New York State Transmission System. The Standard is designed to ensure reliable access by the proposed project to the New York State Transmission System. The Standard does not impose any deliverability test or deliverability requirement on the proposed interconnection.

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

~~**Network Access Interconnection Service** shall mean the service provided by NYISO to interconnect the Developer's Large Generating Facility to the New York State Transmission System in accordance with the NYISO Minimum Interconnection Standard, to enable the New York State Transmission System to receive electric energy and capacity from the Large Generating Facility at the Point of Interconnection, pursuant to the terms of this Agreement and the NYISO OATT.~~

New York State Transmission System shall mean the entire New York State electric transmission system, which includes (i) the Transmission Facilities under ISO Operational Control; (ii) the Transmission Facilities Requiring ISO Notification; and (iii) all remaining transmission facilities within the New York Control Area.

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

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Issued on: ~~October 5~~ August 4, 20048
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Superseding ~~Substitute Original-First Revised~~ Sheet No. 863

NPCC shall mean the Northeast Power Coordinating Council or its successor organization.

NYSRC shall mean the New York State Reliability Council or its successor organization.

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

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

Other Interfaces shall mean interfaces into New York capacity regions, Zone J and Zone K, and external ties into the New York Control Area.

Party or Parties shall mean NYISO, Connecting Transmission Owner, or Developer or any combination of the above.

Point of Change of Ownership shall mean the point, as set forth in Appendix A to this Agreement, where the Developer's Attachment Facilities connect to the Connecting Transmission Owner's Attachment Facilities.

Point of Interconnection shall mean the point, as set forth in Appendix A to this Agreement, where the Attachment Facilities connect to the New York State Transmission System.

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

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under this 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.

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and 002, issued August 6 March 21, 20048, 10822 FERC ¶ 61,459 267 (20048).

Scoping Meeting shall mean the meeting between representatives of the Developer, NYISO and Connecting Transmission Owner 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.

Services Tariff shall mean the NYISO Market Administration and Control Area Tariff, as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff thereto.

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

Stand Alone System Upgrade Facilities shall mean System Upgrade Facilities that a Developer may construct without affecting day-to-day operations of the New York State Transmission System during their construction. NYISO, the Connecting Transmission Owner and the Developer must agree as to what constitutes Stand Alone System Upgrade Facilities and identify them in Appendix A to this Agreement.

Standard Large Facility Interconnection Procedures ("LFIP") shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Large Generating Facility that are included in Attachment X of the NYISO OATT.

Standard Large Generator Interconnection Agreement ("LGIA") shall mean this Agreement, the form of interconnection agreement applicable to an Interconnection Request pertaining to a Large Generating Facility, that is included in Attachment X of the NYISO OATT.

System Deliverability Upgrades shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with Good Utility Practice and Applicable Reliability Requirements, to make the modifications or additions to Byways and Highways and Other Interfaces on the existing New York State Transmission System that are required for the proposed project to connect reliably to the system in a manner that meets the NYISO Deliverability Interconnection Standard at the requested level of Capacity Resource Interconnection Service.

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

System Upgrade Facilities shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with ~~g~~Good ~~u~~Utility ~~p~~Practice and Applicable Reliability Requirements, to make the modifications to the existing transmission system that are required to maintain system reliability due to: (i) changes in the system, including such changes as load growth and changes in load pattern, to be addressed in the form of generic generation or transmission projects; and (ii) proposed interconnections. In the case of proposed interconnection projects, System Upgrade Facilities are the modifications or additions to the existing New York State Transmission System that are required for the proposed project to connect reliably to the system in a manner that meets the NYISO Minimum Interconnection Standard.

Tariff shall mean the NYISO Open Access Transmission Tariff ("OATT"), as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff.

~~Transmission Owner shall mean the public utility or authority (or its designated agent) that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the Tariff, (ii) owns, leases or otherwise possesses an interest in the portion of the New York State Transmission System at the Point of Interconnection, and (iii) is a Party to this Agreement.~~

~~Transmission Owner's Attachment 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 this Agreement, including any modifications, additions or upgrades to such facilities and equipment. Transmission Owner's Attachment Facilities are sole use facilities and shall not include, Stand Alone System Upgrade Facilities or System Upgrade Facilities.~~

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

ARTICLE 2. EFFECTIVE DATE, TERM AND TERMINATION

- 2.1 Effective Date.** This Agreement shall become effective upon execution by the Parties, subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC. The NYISO and Connecting Transmission Owner shall promptly file this Agreement with FERC upon execution in accordance with Article 3.1.
- 2.2 Term of Agreement.** Subject to the provisions of Article 2.3, this Agreement shall remain in effect for a period of ten (10) years from the Effective Date or such other longer period as the Developer may request (*Term to be Specified in Individual Agreements*) and shall be automatically renewed for each successive one-year period thereafter.
- 2.3 Termination.**
- 2.3.1 Written Notice.** This Agreement may be terminated by the Developer after giving the NYISO and Connecting Transmission Owner ninety (90) Calendar Days advance written notice, or by the NYISO and Connecting Transmission Owner notifying FERC after the Large Generating Facility permanently ceases Commercial Operations.
- 2.3.2 Default.** Any Party may terminate this Agreement in accordance with Article 17.
- 2.3.3 Compliance.** Notwithstanding Articles 2.3.1 and 2.3.2, no termination of this Agreement 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 Agreement, which notice has been accepted for filing by FERC.

2.4 Termination Costs. If a Party elects to terminate this Agreement pursuant to Article 2.3.1 above, the terminating Party shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Attachment Facilities and equipment) or charges assessed by the other Parties, as of the date of the other Parties' receipt of such notice of termination, that are the responsibility of the terminating Party under this Agreement. In the event of termination by a 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 Agreement, unless otherwise ordered or approved by FERC:

2.4.1 With respect to any portion of the Connecting Transmission Owner's Attachment Facilities that have not yet been constructed or installed, the Connecting Transmission Owner shall to the extent possible and with Developer'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 Developer elects not to authorize such cancellation, Developer shall assume all payment obligations with respect to such materials, equipment, and contracts, and the Connecting Transmission Owner shall deliver such material and equipment, and, if necessary, assign such contracts, to Developer as soon as practicable, at Developer's expense. To the extent that Developer has already paid Connecting Transmission Owner for any or all such costs of materials or equipment not taken by Developer, Connecting Transmission Owner shall promptly refund such amounts to Developer, less any costs, including penalties incurred by the Connecting Transmission Owner to cancel any pending orders of or to return such materials, equipment, or contracts.

If a Developer terminates this Agreement, it shall be responsible for all costs incurred in association with that Developer's interconnection, including any cancellation costs relating to orders or contracts for Attachment Facilities and equipment, and other expenses including any System Upgrade Facilities and System Deliverability Upgrades for which the Connecting Transmission Owner has incurred expenses and has not been reimbursed by the Developer.

2.4.2 Connecting Transmission Owner may, at its option, retain any portion of such materials, equipment, or facilities that Developer chooses not to accept delivery of, in which case Connecting 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 Attachment Facilities, and any other facilities already installed or constructed pursuant to the terms of this Agreement, Developer 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 Agreement, Developer and Connecting Transmission Owner will take all appropriate steps to disconnect the Developer's Large Generating Facility from the New York State 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 Agreement or such non-terminating Party otherwise is responsible for these costs under this Agreement.

2.6 Survival. This Agreement 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 Agreement; to permit the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect; and to permit Developer and Connecting Transmission Owner each to have access to the lands of the other pursuant to this Agreement or other applicable agreements, to disconnect, remove or salvage its own facilities and equipment.

ARTICLE 3. REGULATORY FILINGS

3.1 Filing. NYISO and Connecting Transmission Owner shall file this Agreement (and any amendment hereto) with the appropriate Governmental Authority, if required. Any information related to studies for interconnection asserted by Developer to contain Confidential Information shall be treated in accordance with Article 22 of this Agreement and Attachment F to the NYISO OATT. If the Developer has executed this Agreement, or any amendment thereto, the Developer shall reasonably cooperate with NYISO and Connecting Transmission Owner with respect to such filing and to provide any information reasonably requested by NYISO and Connecting Transmission Owner needed to comply with Applicable Laws and Regulations.

ARTICLE 4. SCOPE OF INTERCONNECTION SERVICE

4.1 Provision of Service. NYISO will provide Developer with interconnection service of the following type for the term of this Agreement.

4.1.1 Product. NYISO will provide ~~Network Access~~ []
Interconnection Service to Developer at the Point of Interconnection.

4.1.2 Developer is responsible for ensuring that its actual Large Generating Facility output matches the scheduled delivery from the Large Generating Facility to the New York State Transmission System, consistent with the scheduling requirements of the NYISO's FERC-approved market structure, including ramping into and out of such scheduled delivery, as measured at the Point of Interconnection, consistent with the scheduling requirements of the NYISO OATT and any applicable FERC-approved market structure.

4.2 No Transmission Delivery Service. The execution of this Agreement does not constitute a request for, nor agreement to provide, any Transmission Service under the NYISO OATT, and does not convey any right to deliver electricity to any specific customer or Point of Delivery. If Developer wishes to obtain Transmission Service on the New York State Transmission System, then Developer must request such Transmission Service in accordance with the provisions of the NYISO OATT.

4.3 No Other Services. The execution of this Agreement does not constitute a request for, nor agreement to provide energy, any Ancillary Services or Installed Capacity under the NYISO Market Administration and Control Area Services Tariff ("Services Tariff"). If Developer wishes to supply energy, Installed Capacity or Ancillary Services, then Developer will make application to do so in accordance with the NYISO Services Tariff.

ARTICLE 5. INTERCONNECTION FACILITIES ENGINEERING, PROCUREMENT, AND CONSTRUCTION

5.1 Options. Unless otherwise mutually agreed to by Developer and Connecting Transmission Owner, Developer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date; and either Standard Option or Alternate Option set forth below for completion of the Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades as set forth in Appendix A hereto, and such dates and selected option shall be set forth in Appendix B hereto.

5.1.1 Standard Option. The Connecting Transmission Owner shall design, procure, and construct the Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades, using Reasonable Efforts to complete the Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades by the dates set forth in Appendix B hereto. The Connecting 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 the Connecting Transmission Owner reasonably expects that it will not be able to complete the Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades by the specified dates, the Connecting Transmission Owner shall promptly provide written notice to the Developer and NYISO, and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

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

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

5.1.3 Option to Build. If the dates designated by Developer are not acceptable to Connecting Transmission Owner, the Connecting Transmission Owner shall so notify the Developer and NYISO within thirty (30) Calendar Days, and unless the Developer and Connecting Transmission Owner agree otherwise, Developer shall have the option to assume responsibility for the design, procurement and construction of Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities on the dates specified in Article 5.1.2; provided that if an Attachment Facility or Stand Alone System Upgrade Facility is needed for more than one Developer's project, Developer's option to build such Facility shall be contingent on the agreement of all other affected Developers. NYISO, Connecting Transmission Owner and Developer must agree as to what constitutes Stand Alone System Upgrade Facilities and identify such Stand Alone System Upgrade Facilities in Appendix A hereto. Except for Stand Alone System Upgrade Facilities, Developer shall have no right to construct System Upgrade Facilities under this option.

5.1.4 Negotiated Option. If the Developer elects not to exercise its option under Article 5.1.3, Option to Build, Developer shall so notify Connecting Transmission Owner and NYISO within thirty (30) Calendar Days, and the Developer and Connecting Transmission Owner shall in good faith attempt to negotiate terms and conditions (including revision of the specified dates and liquidated damages, the provision of incentives or the procurement and construction of a portion of the

Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities by Developer) pursuant to which Connecting Transmission Owner is responsible for the design, procurement and construction of the Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades. If the two Parties are unable to reach agreement on such terms and conditions, Connecting Transmission Owner shall assume responsibility for the design, procurement and construction of the Connecting Transmission Owner's Attachment Facilities and System Upgrades Facilities and System Deliverability Upgrades pursuant to 5.1.1, Standard Option.

5.2 General Conditions Applicable to Option to Build. If Developer assumes responsibility for the design, procurement and construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities,

- (1) Developer shall engineer, procure equipment, and construct the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by the Connecting Transmission Owner;
- (2) Developer's engineering, procurement and construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities shall comply with all requirements of law to which Connecting Transmission Owner would be subject in the engineering, procurement or construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities;
- (3) Connecting Transmission Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities;
- (4) Prior to commencement of construction, Developer shall provide to Connecting Transmission Owner and NYISO a schedule for construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities, and shall promptly respond to requests for information from Connecting Transmission Owner or NYISO;

- (5) At any time during construction, Connecting Transmission Owner shall have the right to gain unrestricted access to the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities and to conduct inspections of the same;
- (6) At any time during construction, should any phase of the engineering, equipment procurement, or construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities not meet the standards and specifications provided by Connecting Transmission Owner, the Developer shall be obligated to remedy deficiencies in that portion of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities;
- (7) Developer shall indemnify Connecting Transmission Owner and NYISO for claims arising from the Developer's construction of Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities under procedures applicable to Article 18.1 Indemnity;
- (8) Developer shall transfer control of Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities to the Connecting Transmission Owner;
- (9) Unless the Developer and Connecting Transmission Owner otherwise agree, Developer shall transfer ownership of Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities to Connecting Transmission Owner;
- (10) Connecting Transmission Owner shall approve and accept for operation and maintenance the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities to the extent engineered, procured, and constructed in accordance with this Article 5.2; and
- (11) Developer shall deliver to NYISO and Connecting Transmission Owner "as built" drawings, information, and any other documents that are reasonably required by NYISO or Connecting Transmission Owner to assure that the Attachment Facilities and Stand Alone System Upgrade Facilities are built to the standards and specifications required by Connecting Transmission Owner.

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~~First~~Second Revised Sheet No. 873A
Superseding ~~Original~~First Revised Sheet No. 873A

5.3 Liquidated Damages. The actual damages to the Developer, in the event the Connecting Transmission Owner's Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades are not completed by the dates designated by the Developer and accepted by the Connecting Transmission Owner pursuant to subparagraphs 5.1.2 or 5.1.4, above, may include Developer's fixed operation and maintenance costs and lost opportunity costs. Such actual damages are uncertain and impossible to determine at this time. Because of such uncertainty, any liquidated damages paid by the Connecting Transmission Owner to the Developer in the event that

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Connecting Transmission Owner does not complete any portion of the Connecting Transmission Owner's Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades by the applicable dates, shall be an amount equal to 1/2 of 1 percent per day of the actual cost of the Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades, in the aggregate, for which Connecting Transmission Owner has assumed responsibility to design, procure and construct.

However, in no event shall the total liquidated damages exceed 20 percent of the actual cost of the Connecting Transmission Owner Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades for which the Connecting Transmission Owner has assumed responsibility to design, procure, and construct. The foregoing payments will be made by the Connecting Transmission Owner to the Developer as just compensation for the damages caused to the Developer, 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 Agreement. Liquidated damages, when the Developer and Connecting Transmission Owner agree to them, are the exclusive remedy for the Connecting Transmission Owner's failure to meet its schedule.

Further, Connecting Transmission Owner shall not pay liquidated damages to Developer if: (1) Developer is not ready to commence use of the Connecting Transmission Owner's Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades to take the delivery of power for the Developer's Large Generating Facility's Trial Operation or to export power from the Developer's Large Generating Facility on the specified dates, unless the Developer would have been able to commence use of the Connecting Transmission Owner's Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades to take the delivery of power for Developer's Large Generating Facility's Trial Operation or to export power from the Developer's Large Generating Facility, but for Connecting Transmission Owner's delay; (2) the Connecting Transmission Owner's failure to meet the specified dates is the result of the action or inaction of the Developer or any other Developer who has entered into a Standard Large Generator Interconnection Agreement with the Connecting Transmission Owner and NYISO, or action or inaction by any other Party, or any other cause beyond Connecting Transmission Owner's reasonable control or reasonable ability to cure; (3) the Developer has assumed responsibility for the design, procurement and construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities; or (4) the Connecting Transmission Owner and Developer have otherwise agreed.

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In no event shall NYISO have any liability whatever to Developer for liquidated damages associated with the engineering, procurement or construction of Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades.

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5.4 Power System Stabilizers. The Developer shall procure, install, maintain and operate Power System Stabilizers in accordance with the requirements identified in the Interconnection Studies conducted for Developer's Large Generating Facility. NYISO and Connecting Transmission Owner reserve the right to reasonably establish minimum acceptable settings for any installed Power System Stabilizers, subject to the design and operating limitations of the Large Generating Facility. If the Large Generating Facility's Power System Stabilizers are removed from service or not capable of automatic operation, the Developer shall immediately notify the Connecting Transmission Owner and NYISO. The requirements of this paragraph shall not apply to wind generators.

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

5.5.1 NYISO and Connecting Transmission Owner have completed the Interconnection Facilities Study pursuant to the Interconnection Facilities Study Agreement;

5.5.2 The NYISO has completed the required cost allocation analyses, and Developer has accepted his share of the costs for necessary System Upgrade Facilities and System Deliverability Upgrades in accordance with the provisions of Attachment S of the NYISO OATT;

5.5.3 The Connecting Transmission Owner has received written authorization to proceed with design and procurement from the Developer by the date specified in Appendix B hereto; and

5.5.4 The Developer has provided security to the Connecting Transmission Owner in accordance with Article 11.5 by the dates specified in Appendix B hereto.

5.6 Construction Commencement. The Connecting Transmission Owner shall commence construction of the Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades for which it is responsible as soon as practicable after the following additional conditions are satisfied:

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

5.6.2 Necessary real property rights and rights-of-way have been obtained, to the extent required for the construction of a discrete aspect of the Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades;

5.6.3 The Connecting Transmission Owner has received written authorization to proceed with construction from the Developer by the date specified in Appendix B hereto; and

5.6.4 The Developer has provided security to the Connecting Transmission Owner in accordance with Article 11.5 by the dates specified in Appendix B hereto.

5.7 Work Progress. The Developer and Connecting Transmission Owner will keep each other, and NYISO, advised periodically as to the progress of their respective design, procurement and construction efforts. Any Party may, at any time, request a progress report from the Developer or Connecting Transmission Owner. If, at any time, the Developer determines that the completion of the Connecting Transmission Owner's Attachment Facilities will not be required until after the specified In-Service Date, the Developer will provide written notice to the Connecting Transmission Owner and NYISO of such later date upon which the completion of the Connecting Transmission Owner's Attachment Facilities will be required.

5.8 Information Exchange. As soon as reasonably practicable after the Effective Date, the Developer and Connecting Transmission Owner shall exchange information, and provide NYISO the same information, regarding the design and compatibility of their respective Attachment Facilities and compatibility of the Attachment Facilities with the New York State Transmission System, and shall work diligently and in good faith to make any necessary design changes.

5.9 Limited Operation. If any of the Connecting Transmission Owner's Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of the Developer's Large Generating Facility, NYISO shall, upon the request and at the expense of Developer, in conjunction with the Connecting Transmission Owner, perform operating studies on a timely basis to determine the extent to which the Developer's Large Generating Facility and the Developer's Attachment Facilities may operate prior to the completion of the Connecting Transmission Owner's Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this Agreement. Connecting Transmission Owner and NYISO shall permit Developer to operate the Developer's Large Generating Facility and the Developer's Attachment Facilities in accordance with the results of such studies.

5.10 Developer's Attachment Facilities ("DAF"). Developer shall, at its expense, design, procure, construct, own and install the DAF, as set forth in Appendix A hereto.

5.10.1 DAF Specifications. Developer shall submit initial specifications for the DAF, including System Protection Facilities, to Connecting Transmission Owner and NYISO 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. Connecting Transmission Owner and NYISO shall review such specifications to ensure that the DAF are compatible with the technical specifications, operational control, and safety requirements of the Connecting Transmission Owner and NYISO and comment on such specifications within thirty (30) Calendar Days of Developer's submission. All specifications provided hereunder shall be deemed to be Confidential Information.

5.10.2 No Warranty. The review of Developer's final specifications by Connecting Transmission Owner and NYISO shall not be construed as confirming, endorsing, or providing a warranty as to the design, fitness, safety, durability or reliability of the Large Generating Facility, or the DAF. Developer shall make such changes to the DAF as may reasonably be required by Connecting Transmission Owner or NYISO, in accordance with Good Utility Practice, to ensure that the DAF are compatible with the technical specifications, operational control, and safety requirements of the Connecting Transmission Owner and NYISO.

5.10.3 DAF Construction. The DAF 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 Developer and Connecting Transmission Owner agree on another mutually acceptable deadline, the Developer shall deliver to the Connecting Transmission Owner and NYISO "as-built" drawings, information and documents for the DAF, such as: a one-line diagram, a site plan showing the Large Generating Facility and the DAF, plan and elevation drawings showing the layout of the DAF, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay settings for all facilities associated with the Developer's step-up transformers, the facilities connecting the Large Generating Facility to the step-up transformers and the DAF, and the impedances (determined by factory tests) for the associated step-up transformers and the Large Generating Facility. The Developer shall provide to, and coordinate with, Connecting Transmission Owner and NYISO with respect to proposed specifications for the excitation system, automatic voltage regulator, Large Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.11 Connecting Transmission Owner's Attachment Facilities Construction. The Connecting Transmission Owner's Attachment Facilities shall be designed and constructed in accordance with Good Utility Practice. Upon request, within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Connecting Transmission Owner and Developer agree on another mutually acceptable deadline, the Connecting Transmission Owner shall deliver to the Developer the following "as-built" drawings, information and documents for the Connecting Transmission Owner's Attachment Facilities [include appropriate drawings and relay diagrams].

The Connecting Transmission Owner shall transfer operational control of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities to the NYISO upon completion of such facilities.

5.12 Access Rights. Upon reasonable notice and supervision by the Granting Party, and subject to any required or necessary regulatory approvals, either the Connecting Transmission Owner or Developer ("Granting Party") shall furnish to the other of those two Parties ("Access Party") at no cost

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 at the Point of Interconnection to construct, operate, maintain, repair, test (or witness testing), inspect, replace or remove facilities and equipment to: (i) interconnect the Large Generating Facility with the New York State Transmission System; (ii) operate and maintain the Large Generating Facility, the Attachment Facilities and the New York State Transmission System; and (iii) disconnect or remove the Access Party's facilities and equipment upon termination of this Agreement. 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. The Access Party shall indemnify the Granting Party against all claims of injury or damage from third parties resulting from the exercise of the access rights provided for herein.

5.13 Lands of Other Property Owners. If any part of the Connecting Transmission Owner's Attachment Facilities and/or System Upgrade Facilities and/or System Deliverability Upgrades is to be installed on property owned by persons other than Developer or Connecting Transmission Owner, the Connecting Transmission Owner shall at Developer's expense use efforts, similar in nature and extent to those that it typically undertakes for its own or affiliated generation, including use of its eminent domain authority, and to the extent consistent with state law, to procure from such persons any rights of use, licenses, rights of way and easements that are necessary to construct, operate, maintain, test, inspect, replace or remove the Connecting Transmission Owner's Attachment Facilities and/or System Upgrade Facilities and/or System Deliverability Upgrades upon such property.

5.14 Permits. NYISO, Connecting Transmission Owner and the Developer 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, Connecting Transmission Owner shall provide permitting assistance to the Developer comparable to that provided to the Connecting Transmission Owner's own, or an Affiliate's generation, if any.

5.15 Early Construction of Base Case Facilities. Developer may request Connecting Transmission Owner to construct, and Connecting Transmission Owner shall construct, subject to a binding cost allocation agreement reached in accordance with Attachment S to the NYISO OATT, including Section IV.F.12 thereof, using Reasonable Efforts to accommodate Developer's In-Service Date, all or any portion of any System Upgrade Facilities or System Deliverability Upgrades required for Developer to be interconnected to the New York State Transmission System which are included in the Base Case of the Facilities Study for the Developer, and which also are required to be constructed for another Developer, but where such construction is not scheduled to be completed in time to achieve Developer's In-Service Date.

5.16 Suspension. Developer reserves the right, upon written notice to Connecting Transmission Owner and NYISO, to suspend at any time all work by Connecting Transmission Owner associated with the construction and installation of Connecting Transmission Owner's Attachment Facilities and/or System Upgrade Facilities and/or System Deliverability Upgrades required for only that Developer under this Agreement with the condition that the New York State Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and the safety and reliability criteria of Connecting Transmission Owner and NYISO. In such event, Developer shall be responsible for all reasonable and necessary costs and/or obligations in accordance with Attachment S to the NYISO OATT including those which Connecting Transmission Owner (i) has incurred pursuant to this Agreement prior to the suspension and (ii) incurs 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 New York State 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 Connecting Transmission Owner cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Connecting Transmission Owner shall obtain Developer's authorization to do so.

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

5.17 Taxes.

5.17.1 Developer Payments Not Taxable. The Developer and Connecting Transmission Owner intend that all payments or property transfers made by Developer to Connecting Transmission Owner for the installation of the Connecting Transmission Owner's Attachment Facilities and the System Upgrade Facilities and the System Deliverability 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, Developer represents and covenants that (i) ownership of the electricity generated at the Large Generating Facility will pass to another party prior to the transmission of the electricity on the New York State Transmission System, (ii) for income tax purposes, the amount of any payments and the cost of any property transferred to the Connecting Transmission Owner for the Connecting Transmission Owner's Attachment Facilities will be capitalized by Developer as an intangible asset and recovered using the straight-line method over a useful life of twenty (20) years, and (iii) any portion of the Connecting Transmission Owner's Attachment 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 Large 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 Connecting Transmission Owner's request, Developer shall provide Connecting Transmission Owner with a report from an independent engineer confirming its representation in clause (iii), above. Connecting Transmission Owner represents and covenants that the cost of the Connecting Transmission Owner's Attachment Facilities paid for by Developer 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 Connecting Transmission Owner. Notwithstanding Article 5.17.1, Developer shall protect, indemnify and hold harmless Connecting Transmission Owner from the cost consequences of any current tax liability imposed against Connecting Transmission Owner as the result of payments or property transfers made by Developer to Connecting Transmission Owner under this Agreement, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Connecting Transmission Owner.

Connecting Transmission Owner shall not include a gross-up for the cost consequences of any current tax liability in the amounts it charges Developer under this Agreement unless (i) Connecting Transmission Owner has determined, in good faith, that the payments or property transfers made by Developer to Connecting Transmission Owner should be reported as income subject to taxation or (ii) any Governmental Authority directs Connecting Transmission Owner to report payments or property as income subject to taxation; provided, however, that Connecting Transmission Owner may require Developer to provide security, in a form reasonably acceptable to Connecting 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. Developer shall reimburse Connecting 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 Connecting Transmission Owner of the amount due, including detail about how the amount was calculated.

This indemnification obligation shall terminate at the earlier of (1) the expiration of the ten-year testing period and the applicable statute of limitation, as it may be extended by

the Connecting 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. Developer'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 Developer will pay Connecting Transmission Owner, in addition to the amount paid for the Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades, an amount equal to (1) the current taxes imposed on Connecting Transmission Owner ("Current Taxes") on the excess of (a) the gross income realized by Connecting Transmission Owner as a result of payments or property transfers made by Developer to Connecting Transmission Owner under this Agreement (without regard to any payments under this Article 5.17) (the "Gross Income Amount") over (b) the present value of future tax deductions for depreciation that will be available as a result of such payments or property transfers (the "Present Value Depreciation Amount"), plus (2) an additional amount sufficient to permit the Connecting 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 Connecting Transmission Owner's composite federal and state tax rates at the time the payments or property transfers are received and Connecting 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 Connecting Transmission Owner's anticipated tax depreciation deductions as a result of such payments or property transfers by Connecting Transmission Owner's current weighted average cost of capital. Thus, the formula for calculating Developer's liability to Connecting Transmission Owner pursuant to this Article 5.17.4 can be expressed as follows: $(\text{Current Tax Rate} \times (\text{Gross Income Amount} - \text{Present Value of Tax Depreciation})) / (1 - \text{Current Tax Rate})$.

Developer's estimated tax liability in the event taxes are imposed shall be stated in Appendix A, Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades.

5.17.5 Private Letter Ruling or Change or Clarification of Law. At Developer's request and expense, Connecting 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 Developer to Connecting Transmission Owner under this Agreement are subject to federal income taxation. Developer 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 Developer's knowledge. Connecting Transmission Owner and Developer shall cooperate in good faith with respect to the submission of such request.

Connecting Transmission Owner shall keep Developer 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 Developer to participate in all discussions with the IRS regarding such request for a private letter ruling. Connecting Transmission Owner shall allow Developer to attend all meetings with IRS officials about the request and shall permit Developer 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 Connecting Transmission Owner Attachment Facilities are placed in service, (i) Developer 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 Agreement terminates and Connecting Transmission Owner retains ownership of the Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades, the Developer shall pay a tax gross-up for the cost consequences of any current tax liability imposed on Connecting 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 Connecting Transmission Owner's receipt of payments or property constitutes income that is subject to taxation, Connecting Transmission Owner shall notify Developer, in writing, within thirty (30) Calendar Days of receiving notification of such determination by a Governmental Authority. Upon the timely written request by Developer and at Developer's sole expense, Connecting Transmission Owner may appeal, protest, seek abatement of, or otherwise oppose such determination. Upon Developer's written request and sole expense, Connecting 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. Connecting 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 Connecting Transmission Owner shall keep Developer informed, shall consider in good faith suggestions from Developer about the conduct of the contest, and shall reasonably permit Developer or an Developer representative to attend contest proceedings.

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

reasonable settlement given the hazards of litigation. Developer's obligation shall be based on the amount of the settlement agreed to by Developer, 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 Developer's consent or such written advice will relieve Developer from any obligation to indemnify Connecting 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 Connecting Transmission Owner which holds that any amount paid or the value of any property transferred by Developer to Connecting Transmission Owner under the terms of this Agreement is not subject to federal income taxation, (b) any legislative change or administrative announcement, notice, ruling or other determination makes it reasonably clear to Connecting Transmission Owner in good faith that any amount paid or the value of any property transferred by Developer to Connecting Transmission Owner under the terms of this Agreement is not taxable to Connecting Transmission Owner, (c) any abatement, appeal, protest, or other contest results in a determination that any payments or transfers made by Developer to Connecting Transmission Owner are not subject to federal income tax, or (d) if Connecting Transmission Owner receives a refund from any taxing authority for any overpayment of tax attributable to any payment or property transfer made by Developer to Connecting Transmission Owner pursuant to this Agreement, Connecting Transmission Owner shall promptly refund to Developer the following:

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

(ii) Interest on any amounts paid by Developer to Connecting Transmission Owner for such taxes which Connecting Transmission Owner did not submit to the taxing authority, calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. §35.19a(a)(2)(iii) from the date payment was made by Developer to the date Connecting Transmission Owner refunds such payment to Developer, and

(iii) With respect to any such taxes paid by Connecting Transmission Owner, any refund or credit Connecting Transmission Owner receives or to which it may be entitled from any Governmental Authority, interest (or that portion thereof attributable to the payment described in clause (i), above) owed to the Connecting Transmission Owner for such overpayment of taxes (including any reduction in interest otherwise payable by Connecting Transmission Owner to any Governmental Authority resulting from an offset or credit); provided, however, that Connecting Transmission Owner will remit such amount promptly to Developer only after and to the extent that Connecting Transmission Owner has received a tax refund, credit or offset from any Governmental Authority for any applicable overpayment of income tax related to the Connecting Transmission Owner's Attachment Facilities.

The intent of this provision is to leave both the Developer and Connecting Transmission Owner, to the extent practicable, in the event that no taxes are due with respect to any payment for Attachment Facilities and System Upgrade Facilities and System Deliverability 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 Developer, and at Developer's sole expense, Connecting Transmission Owner shall appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Connecting Transmission Owner for which Developer may be required to reimburse Connecting Transmission Owner under the terms of this Agreement. Developer shall pay to Connecting Transmission Owner on a periodic basis, as invoiced by Connecting Transmission Owner, Connecting Transmission Owner's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Developer and Connecting 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 Developer to Connecting 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, Developer will be responsible for all taxes, interest and penalties, other than penalties attributable to any delay caused by Connecting Transmission Owner.

5.18 Tax Status; Non-Jurisdictional Entities.

5.18.1 Tax Status. Each Party shall cooperate with the other Parties to maintain the other Parties' tax status. Nothing in this Agreement is intended to adversely affect the tax status of any Party including the status of NYISO, or the status of any Connecting Transmission Owner with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds. Notwithstanding any other provisions of this Agreement, LIPA, NYPA and Consolidated Edison Company of New York, Inc. shall not be required to comply with any provisions of this Agreement that would result in the loss of tax-exempt status of any of their Tax-Exempt Bonds or impair their ability to issue future tax-exempt obligations. For purposes of this provision, Tax-Exempt Bonds shall include the obligations of the Long Island Power Authority, NYPA and Consolidated Edison Company of New York, Inc., the interest on which is not included in gross income under the Internal Revenue Code.

5.18.2 Non-Jurisdictional Entities. LIPA and NYPA do not waive their exemptions, pursuant to Section 201(f) of the FPA, from Commission jurisdiction with respect to the Commission's exercise of the FPA's general ratemaking authority.

5.19 Modification.

5.19.1 General. Either the Developer or Connecting Transmission Owner may undertake modifications to its facilities covered by this Agreement. If either the Developer or Connecting Transmission Owner plans to undertake a modification that reasonably may be expected to affect the other Party's facilities, that Party shall provide to the other Party, and to NYISO, sufficient information regarding such modification so that the other Party and NYISO may evaluate the potential impact of such modification prior to commencement of the work. Such information shall be deemed to be Confidential Information hereunder and shall include information concerning the timing of such modifications and whether

such modifications are expected to interrupt the flow of electricity from the Large Generating Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Party and NYISO 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 Large Generating Facility modifications that do not require Developer to submit an Interconnection Request, ~~the NYISO Transmission Owner~~ shall provide, within ~~sixty~~^{thirty} (360) Calendar Days (or such other time as the Parties may agree), an estimate of any additional modifications to the New York State Transmission System, Connecting Transmission Owner's Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades necessitated by such Developer modification and a good faith estimate of the costs thereof. The Developer shall be responsible for the cost of any such additional modifications, including the cost of studying the impact of the Developer modification.

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 Agreement, NYISO requirements and Good Utility Practice.

5.19.3 Modification Costs. Developer shall not be assigned the costs of any additions, modifications, or replacements that Connecting Transmission Owner makes to the Connecting Transmission Owner's Attachment Facilities or the New York State Transmission System to facilitate the interconnection of a third party to the Connecting Transmission Owner's Attachment Facilities or the New York State Transmission System, or to provide Transmission Service to a third party under the NYISO OATT, except in accordance with the cost allocation procedures in Attachment S of the NYISO OATT. Developer shall be responsible for the costs of any additions, modifications, or replacements to the Developer Attachment Facilities that may be necessary to maintain or upgrade such Developer Attachment Facilities consistent with Applicable Laws and Regulations, Applicable Reliability Standards or Good Utility Practice.

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ARTICLE 6. TESTING AND INSPECTION

- 6.1 Pre-Commercial Operation Date Testing and Modifications.** Prior to the Commercial Operation Date, the Connecting Transmission Owner shall test the Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades and Developer shall test the Large Generating Facility and the Developer Attachment Facilities to ensure their safe and reliable operation. Similar testing may be required after initial operation. Developer and Connecting Transmission Owner shall each make any modifications to its facilities that are found to be necessary as a result of such testing. Developer shall bear the cost of all such testing and modifications. Developer shall generate test energy at the Large Generating Facility only if it has arranged for the injection of such test energy in accordance with NYISO procedures.
- 6.2 Post-Commercial Operation Date Testing and Modifications.** Developer and Connecting Transmission Owner shall each at its own expense perform routine inspection and testing of its facilities and equipment in accordance with Good Utility Practice and Applicable Reliability Standards as may be necessary to ensure the continued interconnection of the Large Generating Facility with the New York State Transmission System in a safe and reliable manner. Developer and Connecting Transmission Owner shall each 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.** Developer and Connecting Transmission Owner shall each notify the other Party, and the NYISO, in advance of its performance of tests of its Attachment Facilities. The other Party, and the NYISO, shall each have the right, at its own expense, to observe such testing.
- 6.4 Right to Inspect.** Developer and Connecting Transmission Owner shall each have the right, but shall have no obligation to: (i) observe the other Party's 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 Party's System Protection Facilities and other protective equipment; and (iii) review the other Party's maintenance records relative to the Attachment Facilities, the System Protection Facilities and other protective

equipment. NYISO shall have these same rights of inspection as to the facilities and equipment of Developer and Connecting Transmission Owner. A Party may exercise these rights from time to time as it deems necessary upon reasonable notice to the other Party. The exercise or non-exercise by a Party of any such rights shall not be construed as an endorsement or confirmation of any element or condition of the Attachment Facilities or the System Protection Facilities or other protective equipment or the operation thereof, or as a warranty as to the fitness, safety, desirability, or reliability of same. Any information that a Party obtains through the exercise of any of its rights under this Article 6.4 shall be treated in accordance with Article 22 of this Agreement and Attachment F to the NYISO OATT.

ARTICLE 7. METERING

- 7.1 General.** Developer and Connecting Transmission Owner shall each comply with applicable requirements of NYISO and the New York Public Service Commission when exercising its rights and fulfilling its responsibilities under this Article 7. Unless otherwise agreed by the Connecting Transmission Owner and NYISO approved meter service provider and Developer, the Connecting Transmission Owner shall install Metering Equipment at the Point of Interconnection prior to any operation of the Large Generating Facility and shall own, operate, test and maintain such Metering Equipment. Net power flows including MW and MVAR, MWHR and loss profile data to and from the Large Generating Facility shall be measured at the Point of Interconnection. Connecting Transmission Owner shall provide metering quantities, in analog and/or digital form, as required, to Developer or NYISO upon request. Where the Point of Interconnection for the Large Generating Facility is other than the generator terminal, the Developer shall also provide gross MW and MVAR quantities at the generator terminal. Developer shall bear all reasonable documented costs associated with the purchase, installation, operation, testing and maintenance of the Metering Equipment.
- 7.2 Check Meters.** Developer, 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 Connecting 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 Agreement, except as provided in Article 7.4 below. The check meters shall be subject at all reasonable times to inspection and examination by Connecting Transmission Owner or its designee. The installation, operation and maintenance thereof shall be performed entirely by Developer in accordance with Good Utility Practice.

- 7.3 Standards.** Connecting Transmission Owner shall install, calibrate, and test revenue quality Metering Equipment including potential transformers and current transformers in accordance with applicable ANSI and PSC standards as detailed in the NYISO Control Center Communications Manual and in the NYISO Revenue Metering Requirements Manual.
- 7.4 Testing of Metering Equipment.** Connecting Transmission Owner shall inspect and test all of its Metering Equipment upon installation and at least once every two (2) years thereafter. If requested to do so by NYISO or Developer, Connecting Transmission Owner shall, at Developer's expense, inspect or test Metering Equipment more frequently than every two (2) years. Connecting Transmission Owner shall give reasonable notice of the time when any inspection or test shall take place, and Developer and NYISO 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 Developer's expense, in order to provide accurate metering, unless the inaccuracy or defect is due to Connecting Transmission Owner's failure to maintain, then Connecting 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, Connecting Transmission Owner shall adjust the measurements by correcting all measurements for the period during which Metering Equipment was in error by using Developer'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. The NYISO shall reserve the right to review all associated metering equipment installation on the Developer's or Connecting Transmission Owner's property at any time.
- 7.5 Metering Data.** At Developer's expense, the metered data shall be telemetered to one or more locations designated by Connecting Transmission Owner, Developer and NYISO. Such telemetered data shall be used, under normal operating conditions, as the official measurement of the amount of energy delivered from the Large Generating Facility to the Point of Interconnection.

ARTICLE 8. COMMUNICATIONS

8.1 Developer Obligations. In accordance with applicable NYISO requirements, Developer shall maintain satisfactory operating communications with Connecting Transmission Owner and NYISO. Developer shall provide standard voice line, dedicated voice line and facsimile communications at its Large 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. Developer shall also provide the dedicated data circuit(s) necessary to provide Developer data to Connecting Transmission Owner and NYISO as set forth in Appendix D hereto. The data circuit(s) shall extend from the Large Generating Facility to the location(s) specified by Connecting Transmission Owner and NYISO. Any required maintenance of such communications equipment shall be performed by Developer. 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 Large Generating Facility, a Remote Terminal Unit, or equivalent data collection and transfer equipment acceptable to the Parties, shall be installed by Developer, or by Connecting Transmission Owner at Developer's expense, to gather accumulated and instantaneous data to be telemetered to the location(s) designated by Connecting Transmission Owner and NYISO 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 Connecting Transmission Owner and NYISO. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Connecting Transmission Owner and NYISO.

Each Party will promptly advise the appropriate 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 that 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 Party providing such equipment and the Party receiving such equipment.

ARTICLE 9. OPERATIONS

- 9.1 General.** Each Party shall comply with Applicable Laws and Regulations and Applicable Reliability Standards. 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 NYISO and Connecting Transmission Owner Obligations.** Connecting Transmission Owner and NYISO shall cause the New York State Transmission System and the Connecting Transmission Owner's Attachment Facilities to be operated, maintained and controlled in a safe and reliable manner in accordance with this Agreement and the NYISO Tariffs. Connecting Transmission Owner and NYISO may provide operating instructions to Developer consistent with this Agreement, NYISO procedures and Connecting Transmission Owner's operating protocols and procedures as they may change from time to time. Connecting Transmission Owner and NYISO will consider changes to their respective operating protocols and procedures proposed by Developer.
- 9.3 Developer Obligations.** Developer shall at its own expense operate, maintain and control the Large Generating Facility and the Developer Attachment Facilities in a safe and reliable manner and in accordance with this Agreement. Developer shall operate the Large Generating Facility and the Developer Attachment Facilities in accordance with NYISO and Connecting Transmission Owner requirements, as such requirements are set forth or referenced in Appendix C hereto. Appendix C will be modified to reflect changes to the requirements as they may change from time to time. Any Party may request that the appropriate other Party or Parties provide copies of the requirements set forth or referenced in Appendix C hereto.
- 9.4 Start-Up and Synchronization.** Consistent with the mutually acceptable procedures of the Developer and Connecting Transmission Owner, the Developer is responsible for the proper

synchronization of the Large Generating Facility to the New York State Transmission System in accordance with NYISO and Connecting Transmission Owner procedures and requirements.

9.5 Real and Reactive Power Control.

9.5.1 Power Factor Design Criteria. Developer shall design the Large Generating Facility to maintain an effective power delivery at demonstrated maximum net capability at the Point of Interconnection at a power factor within the range established by the Connecting Transmission Owner on a comparable basis, until NYISO has established different requirements that apply to all generators in the New York Control Area on a comparable basis.

The Developer shall design and maintain the plant auxiliary systems to operate safely throughout the entire real and reactive power design range.

The Connecting Transmission Owner shall not unreasonably restrict or condition the reactive power production or absorption of the Large Generating Facility in accordance with Good Utility Practice.

9.5.2 Voltage Schedules. Once the Developer has synchronized the Large Generating Facility with the New York State Transmission System, NYISO shall require Developer to operate the Large Generating Facility to produce or absorb reactive power within the design capability of the Large Generating Facility set forth in Article 9.5.1 (Power Factor Design Criteria). NYISO's voltage schedules shall treat all sources of reactive power in the New York Control Area in an equitable and not unduly discriminatory manner. NYISO shall exercise Reasonable Efforts to provide Developer with such schedules in accordance with NYISO procedures, and may make changes to such schedules as necessary to maintain the reliability of the New York State Transmission System. Developer shall operate the Large Generating Facility to maintain the specified output voltage or power factor at the Point of Interconnection within

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the design capability of the Large Generating Facility set forth in Article 9.5.1 (Power Factor Design Criteria) as directed by the Connecting Transmission Owner's System Operator or the NYISO. If Developer is unable to maintain the specified voltage or power factor, it shall promptly notify NYISO.

9.5.3 Payment for Reactive Power. NYISO shall pay Developer for reactive power or voltage support service that Developer provides from the Large Generating Facility in accordance with the provisions of Rate Schedule 2 of the NYISO Services Tariff.

9.5.4 ~~9.5.2.1~~ **Governors and Regulators.** Whenever the Large Generating Facility is operated in parallel with the New York State Transmission System, the turbine speed governors and automatic voltage regulators shall be in automatic operation at all times. If the Large Generating Facility's speed governors or automatic voltage regulators are not capable of such automatic operation, the Developer shall immediately notify NYISO, or its designated representative, and ensure that such Large Generating Facility's real and reactive power are within the design capability of the Large Generating Facility's generating unit(s) and steady state stability limits and NYISO system operating (thermal, voltage and transient stability) limits. Developer shall not cause its Large Generating Facility to disconnect automatically or instantaneously from the New York State Transmission System or trip any generating unit comprising the Large Generating Facility for an under or over frequency condition unless the abnormal frequency condition persists for a time period beyond the limits set forth in ANSI/IEEE Standard C37.106, or such other standard as applied to other generators in the New York Control Area on a comparable basis.

9.5.3 ~~**Payment for Reactive Power.**~~ NYISO shall ~~pay Developer for reactive power or voltage support service that Developer provides from the Large Generating Facility in accordance with the provisions of Rate Schedule 2 of the NYISO Services Tariff.~~

Issued by: ~~William J. Museler, President~~ Elaine D. Robinson, Dir. Reg. Affairs

Effective: ~~August 16~~ August 4, 2004

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9.6 Outages and Interruptions.

9.6.1 Outages.

9.6.1.1 Outage Authority and Coordination. Developer and Connecting Transmission Owner may each, in accordance with NYISO procedures and Good Utility Practice and in coordination with the other Party, remove from service any of its respective Attachment Facilities or System Upgrade Facilities and System Deliverability 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 State, 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 both the Developer and the Connecting Transmission Owner. In all circumstances either Party planning to remove such facility(ies) from service shall use Reasonable Efforts to minimize the effect on the other Party of such removal.

9.6.1.2 Outage Schedules. The Connecting Transmission Owner shall post scheduled outages of its transmission facilities on the NYISO OASIS. Developer shall submit its planned maintenance schedules for the Large Generating Facility to Connecting Transmission Owner and NYISO for a minimum of a rolling thirty-six month period. Developer shall update its planned maintenance schedules as necessary. NYISO may direct, or the Connecting Transmission Owner may request, Developer to reschedule its maintenance as necessary to maintain the reliability of the New York State Transmission System. Compensation to Developer for any additional direct costs that the Developer incurs as a result of rescheduling maintenance, including any additional overtime, breaking of maintenance contracts or other costs above and beyond the cost the Developer would have incurred absent the request to reschedule maintenance, shall be in accordance with the NYISO OATT. Developer will not be eligible to receive compensation, if during the twelve (12) months prior to the date of the scheduled maintenance, the Developer had modified its schedule of maintenance activities other than at the direction of the NYISO or request of the Connecting Transmission Owner.

9.6.1.3 Outage Restoration. If an outage on the Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades of the Connecting Transmission Owner or Developer adversely affects the other Party's operations or facilities, the Party that owns 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 the facility that is out of service shall provide the other Party and NYISO, to the extent such information is known, information on the nature of the Emergency State, 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.

9.6.2 Interruption of Service. If required by Good Utility Practice or Applicable Reliability Standards to do so, the NYISO or Connecting Transmission Owner may require Developer to interrupt or reduce production of electricity if such production of electricity could adversely affect the ability of NYISO and Connecting Transmission Owner to perform such activities as are necessary to safely and reliably operate and maintain the New York State Transmission System. The following provisions shall apply to any interruption or reduction permitted under this Article 9.6.2:

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

9.6.2.2 Any such interruption or reduction shall be made on an equitable, non-discriminatory basis with respect to all generating facilities directly connected to the New York State Transmission System;

9.6.2.3 When the interruption or reduction must be made under circumstances which do not allow for advance notice, NYISO or Connecting Transmission Owner shall notify Developer 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;

9.6.2.4 Except during the existence of an Emergency State, when the interruption or reduction can be scheduled without advance notice, NYISO or Connecting Transmission Owner shall notify Developer in advance regarding the timing of such scheduling and further notify Developer of the expected duration. NYISO or Connecting Transmission Owner shall coordinate with each other and the Developer using Good Utility Practice to schedule the interruption or reduction during periods of least impact to the Developer, the Connecting Transmission Owner and the New York State Transmission System;

9.6.2.3 The Parties shall cooperate and coordinate with each other to the extent necessary in order to restore the Large Generating Facility, Attachment Facilities, and the New York State Transmission System to their normal operating state, consistent with system conditions and Good Utility Practice.

9.6.3 Under-Frequency and Over Frequency Conditions. The New York State Transmission System is designed to automatically activate a load-shed program as required by the NPCC in the event of an under-frequency system disturbance. Developer shall implement under-frequency and over-frequency relay set points for the Large Generating Facility as required by the NPCC to ensure "ride through" capability of the New York State Transmission System. Large Generating Facility response to frequency deviations of predetermined magnitudes, both under-frequency and over-frequency deviations, shall be studied and coordinated with the NYISO and Connecting Transmission Owner 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 New York State Transmission System during system disturbances within a range of under-frequency and over-frequency conditions, in accordance with Good Utility Practice and with NPCC criteria A-3.

9.6.4 System Protection and Other Control Requirements.

9.6.4.1 System Protection Facilities. Developer shall, at its expense, install, operate and maintain System Protection Facilities as a part of the Large Generating Facility or Developer Attachment Facilities. Connecting Transmission Owner shall install at Developer's expense any System Protection Facilities that may be required on the Connecting Transmission Owner Attachment Facilities or the New York State Transmission System as a result of the interconnection of the Large Generating Facility and Developer Attachment Facilities.

9.6.4.2 The protection facilities of both the Developer and Connecting Transmission Owner shall be designed and coordinated with other systems in accordance with Good Utility Practice and Applicable Reliability Standards.

9.6.4.3 The Developer and Connecting Transmission Owner shall each be responsible for protection of its respective facilities consistent with Good Utility Practice and Applicable Reliability Standards.

9.6.4.4 The protective relay design of the Developer and Connecting Transmission Owner shall each incorporate the necessary test switches to perform the tests required in Article 6 of this Agreement. The required test switches will be placed such that they allow operation of lockout relays while preventing breaker failure schemes from operating and causing unnecessary breaker operations and/or the tripping of the Developer's Large Generating Facility.

9.6.4.5 The Developer and Connecting Transmission Owner will each test, operate and maintain System Protection Facilities in accordance with Good Utility Practice and NPCC criteria.

9.6.4.6 Prior to the In-Service Date, and again prior to the Commercial Operation Date, the Developer and Connecting Transmission Owner shall each perform, or their agents shall perform, a complete calibration test and functional trip test of the System Protection Facilities. At intervals suggested by Good Utility Practice and following any apparent malfunction of the System Protection Facilities, the Developer and Connecting Transmission Owner shall each 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.

9.6.5 Requirements for Protection. In compliance with NPCC requirements and Good Utility Practice, Developer shall provide, install, own, and maintain relays, circuit breakers and all other devices necessary to remove any fault contribution of the Large Generating Facility to any short circuit occurring on the New York State Transmission System not otherwise isolated by Connecting Transmission Owner's equipment, such that the removal of the fault contribution shall be coordinated with the protective requirements of the New York State Transmission System. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Large Generating Facility and the New York State Transmission System at a site selected upon mutual agreement (not to be unreasonably withheld, conditioned or delayed) of the Developer and Connecting Transmission Owner. Developer shall be responsible for protection of the Large Generating Facility and Developer'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. Developer shall be solely responsible to disconnect the Large Generating Facility and Developer's other equipment if conditions on the New York State Transmission System could adversely affect the Large Generating Facility.

9.6.6 Power Quality. Neither the facilities of Developer nor the facilities of Connecting Transmission Owner 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.

9.7 Switching and Tagging Rules. The Developer and Connecting Transmission Owner shall each provide the other Party 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 nondiscriminatory 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.

9.8 Use of Attachment Facilities by Third Parties.

9.8.1 Purpose of Attachment Facilities. Except as may be required by Applicable Laws and Regulations, or as otherwise agreed to among the Parties, the Attachment Facilities shall be constructed for the sole purpose of interconnecting the Large Generating Facility to the New York State Transmission System and shall be used for no other purpose.

9.8.2 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 the Connecting Transmission Owner's Attachment Facilities, or any part thereof, Developer will be entitled to compensation for the capital expenses it incurred in connection with the Attachment Facilities based upon the pro rata use of the Attachment Facilities by Connecting Transmission Owner, all third party users, and Developer, 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 Attachment Facilities, will be allocated between Developer and any third party users based upon the pro rata use of the Attachment Facilities by Connecting Transmission Owner, all third party users, and Developer, 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.

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

ARTICLE 10. MAINTENANCE

- 10.1 **Connecting Transmission Owner Obligations.** Connecting Transmission Owner shall maintain its transmission facilities and Attachment Facilities in a safe and reliable manner and in accordance with this Agreement.
- 10.2 **Developer Obligations.** Developer shall maintain its Large Generating Facility and Attachment Facilities in a safe and reliable manner and in accordance with this Agreement.
- 10.3 **Coordination.** The Developer and Connecting Transmission Owner shall confer regularly to coordinate the planning, scheduling and performance of preventive and corrective maintenance on the Large Generating Facility and the Attachment Facilities. The Developer and Connecting Transmission Owner shall keep NYISO fully informed of the preventive and corrective maintenance that is planned, and shall schedule all such maintenance in accordance with NYISO procedures.

- 10.4 Secondary Systems.** The ~~Developer~~Interconnection Customer and Connecting Transmission Owner shall each cooperate with the other in the inspection, maintenance, and testing of control or power circuits that operate below 600 volts, AC or DC, including, but not limited to, any hardware, control or protective devices, cables, conductors, electric raceways, secondary equipment panels, transducers, batteries, chargers, and voltage and current transformers that directly affect the operation of Developer or Connecting Transmission Owner's facilities and equipment which may reasonably be expected to impact the other Party. The Developer and Connecting Transmission Owner shall each provide advance notice to the other Party, and to NYISO, 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, Developer shall be responsible for all reasonable expenses including overheads, associated with: (1) owning, operating, maintaining, repairing, and replacing Developer Attachment Facilities; and (2) operation, maintenance, repair and replacement of Connecting Transmission Owner's Attachment Facilities. The Connecting Transmission Owner shall be entitled to the recovery of incremental operating and maintenance expenses that it incurs associated with System Upgrade Facilities and System Deliverability Upgrades if and to the extent provided for under Attachment S to the NYISO OATT.

ARTICLE 11. PERFORMANCE OBLIGATION

- 11.1 Developer Attachment Facilities.** Developer shall design, procure, construct, install, own and/or control the Developer Attachment Facilities described in Appendix A hereto, at its sole expense.
- 11.2 Connecting Transmission Owner's Attachment Facilities.** Connecting Transmission Owner shall design, procure, construct, install, own and/or control the Connecting Transmission Owner's Attachment Facilities described in Appendix A hereto, at the sole expense of the Developer.

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New York Independent System Operator, Inc.
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~~First~~ Second Revised Sheet No. 905
Superseding ~~Substitute Original~~ First Revised Sheet No. 905

11.3 System Upgrade Facilities and System Deliverability Upgrades. Connecting Transmission Owner shall design, procure, construct, install, and own the System Upgrade Facilities and System Deliverability Upgrades described in Appendix A hereto. The responsibility of the Developer for costs related to System Upgrade Facilities and System Deliverability Upgrades shall be determined in accordance with the provisions of Attachment S to the NYISO OATT.

11.4 Special Provisions for Affected Systems. For the re-payment of amounts advanced to Affected System Operator for System Upgrade Facilities or System Deliverability Upgrades, the Developer and Affected System Operator shall enter into an agreement that provides for such re-payment, but only if responsibility for the cost of such System Upgrade Facilities or System Deliverability Upgrades is not to be allocated in accordance with Attachment S to the NYISO OATT. The agreement shall specify the terms governing payments to be made by the Developer to the Affected System Operator as well as the re-payment by the Affected System Operator.

Issued by: ~~William J. Museler, President~~ Elaine D. Robinson, Dir. Reg. Affairs Effective: August ~~6~~ 4, 2004~~8~~
Issued on: ~~October 5~~ August 4, 2004~~8~~
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and ~~-002~~, issued August ~~6~~ March 21, 2004~~8~~, 108~~22~~ 22 FERC ¶ 61,459~~267~~ (2004~~8~~).

11.5 Provision of Security. At least thirty (30) Calendar Days prior to the commencement of the procurement, installation, or construction of a discrete portion of a Connecting Transmission Owner's Attachment Facilities, Developer shall provide Connecting Transmission Owner, at Developer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Connecting Transmission Owner and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 14.2.1 of this Agreement. Such security for payment shall be in an amount sufficient to cover the cost for the Developer's share of constructing, procuring and installing the applicable portion of Connecting Transmission Owner's Attachment Facilities, and shall be reduced on a dollar-for-dollar basis for payments made to Connecting Transmission Owner for these purposes.

In addition:

11.5.1 The guarantee must be made by an entity that meets the commercially reasonable creditworthiness requirements of Connecting Transmission Owner, and contains terms and conditions that guarantee payment of any amount that may be due from Developer, up to an agreed-to maximum amount.

11.5.2 The letter of credit must be issued by a financial institution reasonably acceptable to Connecting Transmission Owner and must specify a reasonable expiration date.

11.5.3 The surety bond must be issued by an insurer reasonably acceptable to Connecting Transmission Owner and must specify a reasonable expiration date.

11.5.4 Attachment S to the NYISO OATT shall govern the Security that Developer provides for System Upgrade Facilities and System Deliverability Upgrades.

11.6 Developer Compensation for Emergency Services. If, during an Emergency State, the Developer provides services at the request or direction of the NYISO or Connecting Transmission Owner, the Developer will be compensated for such services in accordance with the NYISO Services Tariff.

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~~First~~ Second Revised Sheet No. 906A
Superseding ~~Original~~ First Revised Sheet No. 906A

11.7 Line Outage Costs. Notwithstanding anything in the NYISO OATT to the contrary, the Connecting Transmission Owner may propose to recover line outage costs associated with the installation of Connecting Transmission Owner's Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades on a case-by-case basis.

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and -002, issued August ~~6~~ March 21, 20048, 10822 FERC ¶ 61,459 267 (20048).

ARTICLE 12. INVOICE

12.1 General. The Developer and Connecting Transmission Owner shall each 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 Developer and Connecting Transmission Owner may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts one Party owes to the other Party under this Agreement, including interest payments or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

12.2 Final Invoice. Within six months after completion of the construction of the Connecting Transmission Owner's Attachment Facilities and the System Upgrade Facilities and System Deliverability Upgrades, Connecting Transmission Owner shall provide an invoice of the final cost of the construction of the Connecting Transmission Owner's Attachment Facilities and the System Upgrade Facilities and System Deliverability Upgrades, determined in accordance with Attachment S to the NYISO OATT, and shall set forth such costs in sufficient detail to enable Developer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Connecting Transmission Owner shall refund to Developer any amount by which the actual payment by Developer 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 hereto. 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 will not constitute a waiver of any rights or claims the paying Party may have under this Agreement.

12.4 Disputes. In the event of a billing dispute between Connecting Transmission Owner and Developer, Connecting Transmission Owner shall continue to perform under this Agreement as long as Developer: (i) continues to make all payments not in dispute; and (ii) pays to Connecting Transmission Owner or into an independent escrow account the portion of the invoice in

dispute, pending resolution of such dispute. If Developer fails to meet these two requirements for continuation of service, then Connecting Transmission Owner may provide notice to Developer 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).

ARTICLE 13. EMERGENCIES

- 13.1 Obligations.** Each Party shall comply with the Emergency State procedures of NYISO, the applicable Reliability Councils, Applicable Laws and Regulations, and any emergency procedures agreed to by the NYISO Operating Committee.
- 13.2 Notice.** NYISO or, as applicable, Connecting Transmission Owner shall notify Developer promptly when it becomes aware of an Emergency State that affects the Connecting Transmission Owner's Attachment Facilities or the New York State Transmission System that may reasonably be expected to affect Developer's operation of the Large Generating Facility or the Developer's Attachment Facilities. Developer shall notify NYISO and Connecting Transmission Owner promptly when it becomes aware of an Emergency State that affects the Large Generating Facility or the Developer Attachment Facilities that may reasonably be expected to affect the New York State Transmission System or the Connecting Transmission Owner's Attachment Facilities. To the extent information is known, the notification shall describe the Emergency State, the extent of the damage or deficiency, the expected effect on the operation of Developer's or Connecting Transmission Owner's facilities and operations, its anticipated duration and the corrective action taken and/or to be taken. The initial notice shall be followed as soon as practicable with written notice.
- 13.3 Immediate Action.** Unless, in Developer's reasonable judgment, immediate action is required, Developer shall obtain the consent of Connecting Transmission Owner, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Large Generating Facility or the Developer Attachment Facilities in response to an Emergency State either declared by NYISO, Connecting Transmission Owner or otherwise regarding New York State Transmission System.

13.4 NYISO and Connecting Transmission Owner Authority.

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

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

13.4.2 Reduction and Disconnection. NYISO or Connecting Transmission Owner may reduce Network Access-[] Interconnection Service or disconnect the Large Generating Facility or the Developer Attachment Facilities, when such, reduction or disconnection is necessary under Good Utility Practice due to an Emergency State. These rights are separate and distinct from any right of Curtailment of NYISO pursuant to the NYISO OATT. When NYISO or Connecting Transmission Owner can schedule the reduction or disconnection in advance, NYISO or

Connecting Transmission Owner shall notify Developer of the reasons, timing and expected duration of the reduction or disconnection. NYISO or Connecting Transmission Owner shall coordinate with the Developer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to the Developer and the New York State Transmission System. 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 Large Generating Facility, the Attachment Facilities, and the New York State Transmission System to their normal operating state as soon as practicable consistent with Good Utility Practice.

- 13.5 Developer Authority.** Consistent with Good Utility Practice and this Agreement, the Developer may take whatever actions or inactions with regard to the Large Generating Facility or the Developer Attachment Facilities during an Emergency State in order to (i) preserve public health and safety, (ii) preserve the reliability of the Large Generating Facility or the Developer Attachment Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service. Developer shall use Reasonable Efforts to minimize the effect of such actions or inactions on the New York State Transmission System and the Connecting Transmission Owner's Attachment Facilities. NYISO and Connecting Transmission Owner shall use Reasonable Efforts to assist Developer in such actions.
- 13.6 Limited Liability.** Except as otherwise provided in Article 11.6 of this Agreement, no Party shall be liable to another Party for any action it takes in responding to an Emergency State so long as such action is made in good faith and is consistent with Good Utility Practice and the NYISO Tariffs.

ARTICLE 14. REGULATORY REQUIREMENTS AND GOVERNING LAW

- 14.1 Regulatory Requirements.** Each Party's obligations under this Agreement 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 Agreement shall require Developer to take any action that could result in its inability to obtain, or its loss of, status or exemption under the Federal Power Act or the Public Utility Holding Company Act of ~~1935~~ 2005 or the Public Utility Regulatory Policies Act of 1978, as amended.

14.2 Governing Law.

14.2.1 The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the state of New York, without regard to its conflicts of law principles.

14.2.2 This Agreement 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 Agreement, any notice, demand or request required or permitted to be given by a Party to the other Parties and any instrument required or permitted to be tendered or delivered by a Party in writing to the other Parties shall be effective when delivered and may be so given, tendered or delivered, by recognized national courier, or by depositing the same with the United States Postal Service with postage prepaid, for delivery by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out in Appendix F hereto.

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

New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

First Revised Sheet No. 911A
Superseding Original Sheet No. 911A

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

Issued by: William J. Museler, President
Issued on: October 5, 2004

Effective: August 6, 2004

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- 15.3 Alternative Forms of Notice.** Any notice or request required or permitted to be given by a Party to the other Parties 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 hereto.
- 15.4 Operations and Maintenance Notice.** Developer and Connecting Transmission Owner shall each notify the other Party, and NYISO, 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 of this Agreement.

ARTICLE 16. FORCE MAJEURE

16.1 Force Majeure.

16.1.1 Economic hardship is not considered a Force Majeure event.

16.1.2 A Party shall not be responsible or liable, or deemed, in Default with respect to any obligation hereunder, (including obligations under Article 4 of this Agreement) , other than the obligation to pay money when due, to the extent the Party is 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 Breach 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 Agreement or the result of an act or omission of the other Parties. Upon a Breach, the non-Breaching Parties shall give written notice of such to the Breaching Party. The Breaching Party shall have thirty (30) Calendar Days from receipt of the Breach notice within which to cure such Breach; provided however, if such Breach is not capable of cure within thirty (30) Calendar Days, the Breaching Party shall commence such cure within thirty (30) Calendar Days after notice and continuously and diligently complete such cure within ninety (90) Calendar Days from receipt of the Breach notice; and, if cured within such time, the Breach specified in such notice shall cease to exist.

17.1.2 Right to Terminate. If a Breach is not cured as provided in this Article 17, or if a Breach is not capable of being cured within the period provided for herein, the non-Breaching Parties acting together shall thereafter have the right to declare a Default and terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not those Parties terminate this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which they are entitled at law or in equity. The provisions of this Article will survive termination of this Agreement.

ARTICLE 18. INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE

18.1 Indemnity. Each Party (the "Indemnifying Party") shall at all times indemnify, defend, and save harmless, as applicable, the other Parties (each an "Indemnified Party") from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, the alleged violation of any Environmental

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Law, or the release or threatened release of any Hazardous Substance, 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 (i) the Indemnified Party's performance of its obligations under this Agreement on behalf of the Indemnifying Party, except in cases where the Indemnifying Party can demonstrate that the Loss of the Indemnified Party was caused by the gross negligence or intentional wrongdoing of the Indemnified Party or (ii) the violation by the Indemnifying Party of any Environmental Law or the release by the Indemnifying Party of any Hazardous Substance.

18.1.1 Indemnified Party. If a Party 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 18.1.3, to assume the defense of such claim, such Indemnified Party may at the expense of the Indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

18.1.2 Indemnifying Party. If an Indemnifying Party is obligated to indemnify and hold any Indemnified Party harmless under this Article 18, the amount owing to the Indemnified Party shall be the amount of such Indemnified Party's actual Loss, net of any insurance or other recovery.

18.1.3 Indemnity Procedures. Promptly after receipt by an Indemnified Party of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in Article 18.1 may apply, the Indemnified Party shall notify the Indemnifying Party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the Indemnifying Party.

Except as stated below, the Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such Indemnifying Party and reasonably satisfactory to the Indemnified Party. If the defendants in any such action include one or more Indemnified Parties and

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

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

- 18.2 No Consequential Damages.** Other than the Liquidated Damages heretofore described and the indemnity obligations set forth in Article 18.1, in no event shall any 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 another Party under separate agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

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18.3 Insurance. Developer and Connecting Transmission Owner shall each, at its own expense, maintain in force throughout the period of this Agreement, and until released by the other Parties, the following minimum insurance coverages, with insurers authorized to do business in the state of New York:

18.3.1 Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of New York State.

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, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available and a cross liability endorsement, with minimum limits of One Million Dollars (\$1,000,000) per occurrence/One Million Dollars (\$1,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage.

18.3.3 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 Public 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) per occurrence/Twenty Million Dollars (\$20,000,000) aggregate.

18.3.5 The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies of Developer and Connecting Transmission Owner 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 Agreement 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. Developer and Connecting Transmission Owner shall each 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 Agreement, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Developer and Connecting Transmission Owner.

18.3.8 The requirements contained herein as to the types and limits of all insurance to be maintained by the Developer and Connecting Transmission Owner are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by those Parties under this Agreement.

- 18.3.9** Within ten (10) days following execution of this Agreement, 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, Developer and Connecting Transmission Owner shall provide certification of all insurance required in this Agreement, executed by each insurer or by an authorized representative of each insurer.
- 18.3.10** Notwithstanding the foregoing, Developer and Connecting Transmission Owner may each 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'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's senior ~~secured~~ debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Party shall comply with the insurance requirements applicable to it under Articles 18.3.2 through 18.3.9. In the event that a Party is permitted to self-insure pursuant to this Article 18.3.10, 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** Developer and Connecting Transmission Owner 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 Agreement.

ARTICLE 19. ASSIGNMENT

- 19.1 Assignment.** This Agreement may be assigned by a Party only with the written consent of the other Parties; provided that a Party may assign this Agreement without the consent of the other Parties to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; provided further that a Party may assign this

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New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

First Revised Sheet No. 918A
Superseding Original Sheet No. 918A

Agreement without the consent of the other Parties in connection with the sale, merger, restructuring, or transfer of a substantial portion or all of its assets, including the Attachment Facilities it owns, so long as the assignee in such a transaction directly assumes in writing all rights, duties and obligations arising under this Agreement; and

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provided further that the Developer shall have the right to assign this Agreement, without the consent of the NYISO or Connecting Transmission Owner, for collateral security purposes to aid in providing financing for the Large Generating Facility, provided that the Developer will promptly notify the NYISO and Connecting Transmission Owner of any such assignment. Any financing arrangement entered into by the Developer 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 NYISO and Connecting Transmission Owner of the date and particulars of any such exercise of assignment right(s) and will provide the NYISO and Connecting Transmission Owner with proof that it meets the requirements of Articles 11.5 and 18.3. Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

ARTICLE 20. SEVERABILITY

- 20.1 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; provided that if the Developer (or any third party, but only if such third party is not acting at the direction of the Connecting Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Alternate Option (Article 5.1.2), or the Negotiated Option (Article 5.1.4), then none of these provisions shall thereafter have any force or effect and the rights and obligations of Developer and Connecting Transmission Owner 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.** Certain information exchanged by the Parties during the term of this Agreement shall constitute confidential information ("Confidential Information") and shall be subject to this Article 22.

If requested by a Party receiving information, the Party supplying the information shall provide in writing, the basis for asserting that the information referred to in this Article warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

- 22.1.1 Term.** During the term of this Agreement, and for a period of three (3) years after the expiration or termination of this Agreement, 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 Confidential Information.** The following shall constitute Confidential Information: (1) any non-public information that is treated as confidential by the disclosing Party and which the disclosing Party identifies as Confidential Information in writing at the time, or promptly after the time, of disclosure; or (2) information designated as Confidential Information by the NYISO Code of Conduct contained in Attachment F to the NYISO OATT.

- 22.1.3 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

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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 Agreement; or (6) is required, in accordance with Article 22.1.8 of this Agreement, 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 Agreement. 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.

22.1.4 Release of Confidential Information. No Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by FERC Standards of Conduct requirements), subcontractors, employees, consultants, or to parties who may be ~~or~~ considering providing financing to or equity participation with Developer, or to potential purchasers or assignees of a Party, on a need-to-know basis in connection with this Agreement, 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.

22.1.5 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 Parties of Confidential Information shall not be deemed a waiver by any Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

22.1.6 No Warranties. By providing Confidential Information, no Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to the other Parties nor to enter into any further agreements or proceed with any other relationship or joint venture.

- 22.1.7 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 this Agreement or its regulatory requirements, including the NYISO OATT and NYISO Services Tariff. The NYISO shall, in all cases, treat the information it receives in accordance with the requirements of Attachment F to the NYISO OATT.
- 22.1.8 Order of Disclosure.** If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires any Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Parties with prompt notice of such request(s) or requirement(s) so that the other Parties may seek an appropriate protective order or waive compliance with the terms of this Agreement. 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.
- 22.1.9 Termination of Agreement.** Upon termination of this Agreement for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from the other Parties, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the other Parties) or return to the other Parties, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Parties pursuant to this Agreement.
- 22.1.10 Remedies.** The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 22. Each Party accordingly agrees that the 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

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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.

22.1.11 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 Agreement or the NYISO OATT, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Parties to this Agreement prior to the release of the Confidential Information to the Commission or its staff. The Party shall notify the other Parties to the Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time 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 state rules and regulations. A Party shall not be liable for any losses, consequential or otherwise, resulting from that Party divulging Confidential Information pursuant to a FERC or state regulatory body request under this paragraph.

22.1.12 Except as otherwise expressly provided herein, no Party shall disclose Confidential Information to any person not employed or retained by the Party possessing the Confidential Information, 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

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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 Agreement, the NYISO OATT or the NYISO Services Tariff. Prior to any disclosures of a 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.

ARTICLE 23. ENVIRONMENTAL RELEASES

- 23.1 Developer and Connecting Transmission Owner Notice.** Developer and Connecting Transmission Owner shall each 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 Large Generating Facility or the Attachment 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.

ARTICLE 24. INFORMATION REQUIREMENT

- 24.1 Information Acquisition.** Connecting Transmission Owner and Developer shall each submit specific information regarding the electrical characteristics of their respective facilities to the other, and to NYISO, as described below and in accordance with Applicable Reliability Standards.

24.2 Information Submission by Connecting Transmission Owner. The initial information submission by Connecting Transmission Owner shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include New York State Transmission System information necessary to allow the Developer to select equipment and meet any system protection and stability requirements, unless otherwise mutually agreed to by the Developer and Connecting Transmission Owner. On a monthly basis Connecting Transmission Owner shall provide Developer and NYISO a status report on the construction and installation of Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities, including, but not limited to, the following information: (1) progress to date; (2) a description of the activities since the last report; (3) a description of the action items for the next period; and (4) the delivery status of equipment ordered.

24.3 Updated Information Submission by Developer. The updated information submission by the Developer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Trial Operation. Developer shall submit a completed copy of the Large Generating Facility data requirements contained in Appendix 1 to the Large Facility Interconnection Procedures. It shall also include any additional information provided to Connecting Transmission Owner for the Interconnection Feasibility Study and Interconnection Facilities Study. Information in this submission shall be the most current Large Generating Facility design or expected performance data. Information submitted for stability models shall be compatible with NYISO standard models. If there is no compatible model, the Developer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If the Developer's data is ~~materially~~ different from what was originally provided to Connecting Transmission Owner and NYISO pursuant to an Interconnection Study Agreement among Connecting Transmission Owner, NYISO and Developer and this difference may be reasonably expected to affect the other Parties' facilities or the New York State Transmission System, but does not require the submission of a new Interconnection Request, then NYISO will conduct appropriate studies to determine the impact on the New York State Transmission System based on the actual data submitted pursuant to this Article 24.3. Such studies will provide an estimate of any additional modifications to the New York State Transmission System, Transmission Owner's Attachment Facilities, or System Upgrade Facilities based on the actual data and a good faith estimate of the costs thereof. The Developer shall not begin Trial Operation until such studies are completed. The Developer shall be responsible for the cost of any modifications required by the actual data, including the cost of any required studies.

24.4 Information Supplementation. Prior to the Commercial Operation Date, the Developer and Connecting Transmission Owner shall supplement their information submissions described above in this Article 24 with any and all "as-built" Large Generating Facility information or

"as-tested" performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist. The Developer shall conduct tests on the Large Generating Facility as required by Good Utility Practice such as an open circuit "step voltage" test on the Large Generating Facility to verify proper operation of the Large Generating Facility's automatic voltage regulator.

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

Subsequent to the Commercial Operation Date, the Developer shall provide Connecting Transmission Owner and NYISO any information changes due to equipment replacement, repair, or adjustment. Connecting Transmission Owner shall provide the Developer and NYISO any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Connecting Transmission Owner substation that may affect the Developer Attachment Facilities equipment ratings, protection or operating requirements. The Developer and Connecting Transmission Owner shall provide such information no later than thirty (30) Calendar Days after the date of the equipment replacement, repair or adjustment.

ARTICLE 25. INFORMATION ACCESS AND AUDIT RIGHTS

25.1 Information Access. Each Party ("Disclosing Party") shall make available to another Party ("Requesting Party") information that is in the possession of the Disclosing Party and is necessary in order for the Requesting Party to: (i) verify the costs incurred by the

Disclosing Party for which the Requesting Party is responsible under this Agreement; and (ii) carry out its obligations and responsibilities under this Agreement. The Parties shall not use such information for purposes other than those set forth in this Article 25.1 of this Agreement and to enforce their rights under this Agreement.

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 Agreement 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 Party receiving such notification to allege a cause for anticipatory breach of this Agreement.

25.3 Audit Rights. Subject to the requirements of confidentiality under Article 22 of this Agreement, each Party shall have the right, during normal business hours, and upon prior reasonable notice to another Party, to audit at its own expense the other Party's accounts and records pertaining to the other Party's performance or satisfaction of its obligations under this Agreement. Such audit rights shall include audits of the other Party's costs, calculation of invoiced amounts, and each Party's actions in an Emergency State. 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 the Party's performance and satisfaction of obligations under this Agreement. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 25.4 of this Agreement.

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 Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades shall be subject to audit for a period of twenty-four months following Connecting Transmission Owner's issuance of a final invoice in accordance with Article 12.2 of this Agreement.

25.4.2 Audit Rights Period for All Other Accounts and Records. Accounts and records related to a Party's performance or satisfaction of its obligations under this Agreement other than those described in Article 25.4.1 of this Agreement 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 Agreement shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Agreement; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement 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 Agreement. 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 the NYISO or Connecting Transmission Owner be liable for the actions or inactions of the Developer or its subcontractors with respect to obligations of the Developer under Article 5 of this Agreement. Any applicable obligation imposed by this Agreement 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 Agreement or its performance (a "Dispute"), such Party shall provide the other Parties with written notice of the Dispute ("Notice of Dispute"). Such Dispute shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Parties. In the event the designated representatives are unable to resolve the Dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Parties' receipt of the Notice of Dispute, such Dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. In the event the Parties do not agree to submit such Dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of this Agreement.
- 27.2 External Arbitration Procedures.** Any arbitration initiated under this Agreement shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the Dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. In each case, the arbitrator(s) shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules") and any applicable FERC regulations or RTO rules; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Article 27, the terms of this Article 27 shall prevail.
- 27.3 Arbitration Decisions.** Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change any provision of this Agreement in any manner. The decision

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Effective: August 6, 2004

Filed to comply with order of the Federal Energy Regulatory Commission. Docket No. ER04-449-000, -001 and -002, issued August 6, 2004. 108 FERC ¶ 61,159 (2004).

of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Attachment Facilities, or System Upgrade Facilities.

27.4 Costs. Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable: (1) the cost of the arbitrator chosen by the Party to sit on the three member panel; or (2) one-third the cost of the single arbitrator jointly chosen by the Parties.

27.5 Termination. Notwithstanding the provisions of this Article 27, any Party may terminate this Agreement in accordance with its provisions or pursuant to an action at law or equity. The issue of whether such a termination is proper shall not be considered a Dispute hereunder.

ARTICLE 28. REPRESENTATIONS, WARRANTIES AND COVENANTS

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

28.1.1 Good Standing. Such Party is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the state or states in which the Large Generating Facility, Attachment Facilities and System Upgrade Facilities and System Deliverability 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 Agreement 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 Agreement.

- 28.1.2 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).
- 28.1.3 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.
- 28.1.4 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.

ARTICLE 29. MISCELLANEOUS

- 29.1 Binding Effect.** This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the Parties hereto.
- 29.2 Conflicts.** If there is a discrepancy or conflict between or among the terms and conditions of this cover agreement and the Appendices hereto, the terms and conditions of this cover agreement shall be given precedence over the Appendices, except as otherwise expressly agreed to in writing by the Parties.

Issued by: William J. Museler, President
Issued on: February 18, 2005

Effective: January 19, 2005

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29.3 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; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article of this Agreement or such Appendix to this Agreement, or such Section to the Large Facility Interconnection Procedures or such Appendix to the Large Facility Interconnection Procedures, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article 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".

29.4 Compliance. Each Party shall perform its obligations under this Agreement in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, the NYISO OATT and Good Utility Practice. 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 Agreement for its compliance therewith. When any Party becomes aware of such a situation, it shall notify the other Parties promptly so that the Parties can discuss the amendment to this Agreement that is appropriate under the circumstances.

29.5 Joint and Several Obligations. Except as otherwise stated herein, the obligations of NYISO, Developer and Connecting Transmission Owner are several, and are neither joint nor joint and several.

- 29.6 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 which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.
- 29.7 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 permitted their assigns.
- 29.8 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 the Developer shall not constitute a waiver of the Developer's legal rights to obtain Network Access Interconnection Service from the NYISO and Connecting Transmission Owner in accordance with the provisions of the NYISO OATT. Any waiver of this Agreement shall, if requested, be provided in writing.
- 29.9 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.
- 29.10 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.

29.11 Amendment. The Parties may by mutual agreement amend this Agreement, by a written instrument duly executed by all three of the Parties.

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

29.13 Reservation of Rights. NYISO and Connecting Transmission Owner shall have the right to make unilateral filings with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Developer shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.

29.14 No Partnership. This Agreement 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, any other Party.

29.15 Other Transmission Rights. Notwithstanding any other provision of this Agreement, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, or transmission congestion rights that the Developer 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 System Upgrade Facilities and System Deliverability Upgrades.

New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

~~First~~ Second Revised Sheet No. 935
Superseding ~~Substitute Original~~ First Revised Sheet No. 935

IN WITNESS WHEREOF, the Parties have executed this LGIA in duplicate originals,
each of which shall constitute and be an original effective Agreement between the Parties.

NYISO

[Insert Name of Connecting Transmission Owner]

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

[Insert Name of Developer]

By: _____

Title: _____

Date: _____

Issued by: ~~William J. Museler, President~~ Elaine D. Robinson, Dir. Reg. Affairs Effective: August ~~6~~ 4, 2004~~8~~
Issued on: ~~October 5~~ August 4, 2004~~8~~
Filed to comply with order of the Federal Energy Regulatory Commission. Docket No. ER04-449-000. et al., -001
and -002, issued August ~~6~~ March 21, 2004~~8~~, 10822 FERC ¶ 61,459 267 (2004~~8~~).

New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

~~Third~~ Fourth Revised Sheet No. 936
Superseding ~~Second~~ Third Revised Sheet No. 936

Appendices

Appendix A

Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades

Appendix B

Milestones

Appendix C

Interconnection Details

Appendix D

Security Arrangements Details

Appendix E

Commercial Operation Date

Appendix F

Addresses for Delivery of Notices and Billings

Appendix G

Interconnection Requirements For a Wind Generating Plant

Issued by: ~~Mark S. Lynch, President~~ Elaine D. Robinson, Dir. Reg. Affairs
Issued on: ~~April 17~~ August 4, 2006

Effective: ~~January 18~~ August 4, 2006

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New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

~~First~~ Second Revised Sheet No. 937
Superseding ~~Substitute Original~~ First Revised Sheet No. 937

Appendix A

Attachment Facilities and System Upgrade Facilities

1. Attachment Facilities:

(a) [insert Developer's Attachment Facilities]:

(b) [insert Connecting Transmission Owner's Attachment Facilities]:

2. System Upgrade Facilities:

(a) [insert Stand Alone System Upgrade Facilities]:

(b) [insert Other System Upgrade Facilities]:

3. System Deliverability Upgrades:

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New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

First Revised Sheet No. 938
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Appendix B

Milestones

Issued by: William J. Museler, President
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New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

First Revised Sheet No. 939
Superseding Substitute Original Sheet No. 939

Appendix C

Interconnection Details

Issued by: William J. Museler, President
Issued on: October 5, 2004

Effective: August 6, 2004

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Appendix D

Security Arrangements Details

Infrastructure security of New York State Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day New York State Transmission System reliability and operational security. The Commission will expect the NYISO, all Transmission Owners, all Developers and all other Market Participants to comply with the recommendations offered by the President's Critical Infrastructure Protection Board 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.

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New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

~~First~~ Second Revised Sheet No. 941
Superseding Substitute Original First Revised Sheet No. 941

Appendix E

Commercial Operation Date

[Date]

[NYISO Address]
Address]

[Connecting Transmission Owner

Re: _____ Large Generating Facility

Dear _____:

On [Date] [Developer] has completed Trial Operation of Unit No. _____. This letter confirms that [Developer] commenced Commercial Operation of Unit No. _____ at the Large Generating Facility, effective as of [Date plus one day].

Thank you.

[Signature]

[Developer Representative]

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and -002, issued August ~~6~~ March 21, 20048, 10822 FERC ¶ 61.459267 (20048).

New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

~~First~~ Second Revised Sheet No. 942
Superseding ~~Substitute Original~~ First Revised Sheet No. 942

Appendix F

Addresses for Delivery of Notices and Billings

Notices:

NYISO:

[To be supplied.]

Connecting Transmission Owner:

[To be supplied.]

Developer:

[To be supplied.]

Billings and Payments:

Connecting Transmission Owner:

[To be supplied.]

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New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

~~First~~ Second Revised Sheet No. 943
Superseding ~~Substitute Original~~ First Revised Sheet No. 943

Developer:

[To be supplied.]

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

NYISO:

[To be supplied.]

Connecting Transmission Owner:

[To be supplied.]

Developer:

[To be supplied.]

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APPENDIX G

INTERCONNECTION REQUIREMENTS FOR A WIND GENERATING PLANT

Appendix G sets forth requirements and provisions specific to a wind generating plant. All other requirements of this LGIA 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, finally executed as conforming agreements, 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

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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 Connecting Transmission Owner for the Transmission District to which the wind generating plant will be interconnected. 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.

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

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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 Connecting Transmission Owner for the Transmission District to which the wind generating plant will be interconnected. The maximum clearing time the wind generating plant shall be required to withstand for a three-phase fault shall be 9 cycles after which, if the fault remains following the location-specific normal clearing time for three-phase faults, the wind generating plant may disconnect from the transmission system. A wind generating plant shall remain interconnected during such a fault on the transmission system for a voltage level as low as zero volts, as measured at the high voltage side of the wind GSU.
2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU.
3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.

4. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (e.g., Static VAR Compensator) within the wind generating plant or by a combination of generator performance and additional equipment.
5. Existing individual generator units that are, or have been, interconnected to the network at the same location at the effective date of the Appendix G LVRT Standard are exempt from meeting the Appendix G LVRT Standard for the remaining life of the existing generation equipment. Existing individual generator units that are replaced are required to meet the Appendix G LVRT Standard.

ii. **Power Factor Design Criteria (Reactive Power)**

A wind generating plant shall maintain a power factor within the range of 0.95 leading to 0.95 lagging, measured at the Point of Interconnection as defined in this LGIA, if the ISO's System Reliability Impact Study shows that such a requirement is necessary to ensure safety or reliability.

The power factor range standards can be met using, for example without limitation, 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 Connecting Transmission Owner for the

Transmission District to which the wind generating plant will be interconnected, or a combination of the two. The Developer 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 Reliability 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 ISO and/or the Connecting Transmission Owner for the Transmission District to which the wind generating plant will be interconnected, as applicable, to protect system reliability. The Connecting Transmission Owner for the Transmission District to which the wind generating plant will be interconnected and the wind plant Developer 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 7

INTERCONNECTION PROCEDURES FOR A WIND GENERATING PLANT

Appendix 7 sets forth procedures specific to a wind generating plant. All other requirements of this LFIP continue to apply to wind generating plant interconnections.

A. Special Procedures Applicable to Wind Generators

The wind plant Developer, in completing the Interconnection Request required by section 3.3 of this LFIP, may provide to the ISO a set of preliminary electrical design specifications depicting the wind plant as a single equivalent generator. Upon satisfying these and other applicable Interconnection Request conditions, the wind plant may enter the queue and receive the base case data as provided for in this LFIP. No later than six months after submitting an Interconnection Request completed in this manner, the wind plant Developer must submit completed detailed electrical design specifications and other data (including collector system layout data) needed to allow the ISO to complete the System Reliability Impact Study.

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