

APPENDIX 4 TO LFIP

INTERCONNECTION FACILITIES STUDY AGREEMENT

STONY CREEK WIND PROJECT

THIS AGREEMENT is made and entered into this ____ day of _____, 2010 by and among Stony Creek Wind Farm, LLC , a limited liability company organized and existing under the laws of the State of Delaware, ("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 New York State Electric & Gas Corporation a corporation 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 October 12, 2007; 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 Energy Resource Interconnection Service and Capacity Resource 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.

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.

New York Independent System Operator, Inc.

By: _____

Title: VP, System & Resource Planning

Date: _____

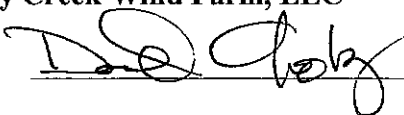
New York State Electric & Gas Corporation

By: _____

Title: _____

Date: _____

Stony Creek Wind Farm, LLC

By: 

Title: **David Groberg**
Vice President

Date: _____

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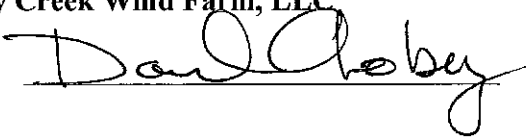
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New York State Electric & Gas Corporation

By: _____

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Date: _____

Stony Creek Wind Farm, LLC

By: David Groberg

Title: **David Groberg**
Vice President

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 2010 Interconnection Facility Study for the Annual Transmission Reliability Assessment required by Attachment S to the NYISO OATT: 12/31/10.
- Study work (other than data provision and study review) that may be requested of the Transmission Owner by the NYISO is currently not specified, but will be specified in a Study Work Agreement to be developed between the NYISO and the Transmission Owner.
- Pursuant to Article 5.0 of this Agreement, the rates for study work are attached as Exhibit 1.

Exhibit 1:

Study Costs

Below are the rates applicable for any work that is conducted by the NYISO and Transmission Owners for the Class Year 2010 Interconnection Facilities Study. All of the rates specified below are subject to adjustment. This list is intended to include all Transmission Owners that may be a connecting Transmission Owner for a project in Class Year 2010. Under Section 13.3 of Attachment X of the NYISO's Open Access Transmission Tariff, all projects in Class Year 2010 must pay an equal share of all the NYISO's and Transmission Owners' actual costs incurred performing the Class Year 2010 Interconnection Facilities Study.

New York State Electric and Gas Corporation

Labor	\$75-\$200/hour
<u>Overhead</u>	
Payroll	13.69% of total labor costs
Transportation	16.59% of total labor costs
Occupancy/Asset	19.9% of total labor costs

The above rates for labor services are estimates and do not represent an exhaustive list of charges.

Niagara Mohawk Power Corporation d/b/a National Grid

Technical Services and/or Management Services \$75.00/hr. to \$175.00/hr.

These costs are in effect for the period April 2009 through and including March 2010. To the extent National Grid's performance of services extend beyond March 2010, the costs are subject to update. Costs do not include any applicable sales tax.

Consolidated Edison Company of New York, Inc.

Transmission Planning	\$101.10/hour
Central Engineering	\$110.10/hour

These rates are for work performed by Con Edison during 2009. The rates for work performed after December 31, 2009 are subject to adjustment.

New York Power Authority

Technical and/or Management Services \$75.00/hr. - \$175.00/hr.

Central Hudson Gas & Electric

Technical Services:	\$85 - \$140 per hour
Management Services:	\$85 - \$175 per hour

LIPA

\$200/hour

NYISO

VP/Director	\$325.00/hr.
All others	\$190.00/hr.

These rates are for work performed by the NYISO during 2010. The rates for work performed after December 31, 2010 are subject to adjustment.

**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. New Interconnection Requests should specify either Energy Resource Interconnection Service alone, or both Energy Resource Interconnection Service and some MW level of Capacity Resource Interconnection Service, not to exceed the nameplate capacity of your facility (some MW level of Capacity Resource Interconnection Service election is required to become a qualified Installed Capacity Supplier or to receive Unforced Capacity Deliverability Rights). If your facility is already interconnected taking Energy Resource Interconnection Service, and not covered by a new Interconnection Request, you may elect to be evaluated for Capacity Resource Interconnection Service at a MW level you specify, not to exceed the nameplate capacity of your facility. Evaluation election:

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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?

Attachment B Appendix 4
Interconnection Facilities
Study Agreement
(Page 2)

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

Physical dimensions of the proposed interconnection station:

Bus length from generation to interconnection station:

Line length from interconnection station to 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: _____