

**LOS ANGELES DEPARTMENT OF WATER AND POWER**

**LARGE GENERATOR**

**INTERCONNECTION PROCEDURE  
(LGIP)**

**Including**

**LARGE GENERATOR**

**INTERCONNECTION AGREEMENT (LGIA)**

JANUARY 2014

**Large Generator  
Interconnection Procedures (LGIP)  
(Applicable to Generating Facilities that exceed 20 MW)**

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Appendix 1 – Interconnection Request for a Large Generating Facility

Appendix 2 – Interconnection Feasibility Study Agreement

Appendix 3 – Interconnection System Impact Study Agreement

Appendix 4 – Interconnection Facilities Study Agreement

Appendix 5 – Optional Interconnection Study Agreement

Appendix 6 – Form Large Generator Interconnection Agreement

Appendix 7 – Interconnection Procedure for a Wind Generating Plant or Solar  
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## **Section 1. Definitions**

In addition to other terms defined within this LGIP, the following terms, whether in the singular or plural, when used herein and in appendices attached hereto and initially capitalized, shall have the meanings specified below:

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

**Affected System** shall mean an electric system other than the Transmission Provider's Transmission System that may be affected by the proposed interconnection.

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

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

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

**Applicable Laws and Regulations** shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority.

**Applicable Reliability Council** shall mean the reliability council applicable to the Transmission System to which the Generating Facility is directly interconnected.

**Applicable Reliability Standards** shall mean the requirements and guidelines of NERC or its successor, as the Applicable Reliability Council, and the

Balancing Authority Area of the Transmission System to which the Generating Facility is directly interconnected.

**Balancing Authority** shall mean the responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a Balancing Authority Area, and supports Interconnection frequency in real time.

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

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

**Breach** shall mean the failure of a Party to perform or observe any material term or condition of this LGIP or an executed LGIA.

**Breaching Party** shall mean a Party that is in Breach of the provisions of this LGIP or any term or condition of an executed LGIA.

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

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

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

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

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

**Confidential Information** shall mean any confidential, proprietary or trade secret information of a plan, specification, pattern, procedure, design, device, list, concept, policy or compilation relating to the present or planned business of a Party, including any competitively sensitive, commercial or financial information, which is designated as confidential by the Party supplying the information, whether conveyed orally, electronically, in writing, through inspection, or otherwise.

**Critical Energy Infrastructure Information or CEII** shall mean specific engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure that: (i) relates details about the production, generation, transportation, transmission, or distribution of energy; (ii) could be useful to a person in planning an attack on critical infrastructure; (iii) is exempt from mandatory disclosure under the Freedom of Information Act, 5 U.S.C. § 552; and (iv) does not simply give the general location of the critical infrastructure.

**Critical Infrastructure** shall mean existing and proposed systems and assets, whether physical or virtual, the incapacity or destruction of which would negatively affect security, economic security, public health or safety, or any combination of those matters.

**Default** shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the LGIA or the failure of Interconnection Customer to cure any deficiency under the provisions of this LGIP.

**Dispute Resolution** shall mean the procedure for resolution of a dispute between the Parties in which they will first attempt to resolve the dispute on an informal basis, as set forth in Section 13.5 herein.

**Distribution System** shall mean the Transmission Provider's facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which distribution systems operate differ among areas.

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

**Effective Date** shall mean the date on which the Large Generator Interconnection Agreement becomes effective upon execution by the Parties.

**Emergency Condition** shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, reliability of, or damage to Transmission Provider's Transmission System, Transmission Provider's Interconnection Facilities or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or Interconnection Customer's Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions; provided that, Interconnection Customer is not obligated by the Large Generator Interconnection Agreement to possess black start capability.

**Energy Resource Interconnection Service** shall mean an Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission Provider's Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or non-firm capacity of the Transmission Provider's Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself does not convey transmission service.

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

**FERC** shall mean the Federal Energy Regulatory Commission (Commission) or its successor.

**Force Majeure** shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

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

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

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

**Governmental Authority** shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include Interconnection Customer or any Affiliate thereof.

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

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

**In-Service Date** shall mean the date upon which the Interconnection Customer reasonably expects it will be ready to begin use of the Transmission Provider's Interconnection Facilities to obtain back feed power.

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

**Interconnection Customer's Interconnection Facilities** shall mean all facilities and equipment, as identified in Appendix A of the Large Generator Interconnection Agreement, that are located between the Generating Facility and the Point of Change of Ownership, including any modification, addition, or upgrades to such facilities and equipment necessary to physically and electrically interconnect the Generating Facility to the Transmission Provider's Transmission



System. Interconnection Customer's Interconnection Facilities are sole use facilities.

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

**Interconnection Facilities Study** shall mean a study conducted by the Transmission Provider or a third party consultant for the Interconnection Customer to determine a list of facilities (including Transmission Provider's Interconnection Facilities and Network Upgrades as identified in the Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission Provider's Transmission System. The scope of the study is defined in Section 8 of the Large Generator Interconnection Procedures.

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

**Interconnection Feasibility Study** shall mean a preliminary evaluation of the feasibility of interconnecting the proposed Generating Facility and a non-binding estimated cost of interconnecting the Generating Facility to the Transmission Provider's Transmission System, the scope of which is described in Section 6 of the Large Generator Interconnection Procedures.

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

**Interconnection Request** shall mean an Interconnection Customer's request, in the form of Appendix 1 to the Large Generator Interconnection Procedures,

subject to the Tariff, to interconnect a new Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Generating Facility that is interconnected with the Transmission Provider's Transmission System.

**Interconnection Service** shall mean the service provided by the Transmission Provider associated with interconnecting the Interconnection Customer's Generating Facility to the Transmission Provider's Transmission System and enabling it to receive electric energy and capacity from the Generating Facility at the Point of Interconnection, pursuant to the terms of the Large Generator Interconnection Agreement and, if applicable, the Transmission Provider's Tariff.

**Interconnection Study** shall mean any of the following studies: the Interconnection Feasibility Study, the Interconnection System Impact Study and the Interconnection Facilities Study described in this LGIP, but excludes any Optional Study.

**Interconnection System Impact Study** shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of Transmission Provider's Transmission System and, if applicable, an Affected System and a non-binding estimated cost of interconnecting the Generating Facility. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications, focusing on the Adverse System Impacts identified in the Interconnection Feasibility Study, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in this LGIP.

**Interconnection System Impact Study Agreement** shall mean the form of agreement contained in Appendix 3 of this LGIP for conducting the Interconnection System Impact Study.

**IRS** shall mean the Internal Revenue Service.

**Joint Operating Committee** shall have the meaning ascribed in the Large Generator Interconnection Agreement.

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

**Large Generator Interconnection Agreement (LGIA)** shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Large Generating Facility that is included in the Transmission Provider's Tariff.

**Large Generator Interconnection Procedures (LGIP)** shall mean these interconnection procedures applicable to an Interconnection Request pertaining to a Large Generating Facility that are included in the Transmission Provider's Tariff.

**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, expert witness and consultant fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's performance or non-performance of its obligations under the Large Generator Interconnection Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying Party.

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

**Metering Equipment** shall mean all metering equipment installed or to be installed at the Generating Facility pursuant to the 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.

**NERC** shall mean the North American Electric Reliability Corporation or the successor electric reliability organization.

**Network Resource** shall mean any designated generating resource owned, purchased, or leased by a Network Customer under an applicable Network Integration Transmission Service Tariff. Network Resources do not include any resource, or any portion thereof, that is committed for sale to third parties or

otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis.

**Network Resource Interconnection Service** shall mean an Interconnection Service that allows the Interconnection Customer to integrate its Large Generating Facility with the Transmission Provider's Transmission System in a manner comparable to that in which the Transmission Provider integrates its generating facilities to serve native load customers. Network Resource Interconnection Service in and of itself does not convey Transmission Service.

**Network Upgrades** shall mean the additions, modifications, and upgrades to the Transmission Provider's Transmission System required at or beyond the point at which the Interconnection Facilities connect to the Transmission Provider's Transmission System to accommodate the interconnection of the Large Generating Facility to the Transmission Provider's Transmission System.

**Notice of Dispute** shall have the meaning ascribed in Section 13.5 of this LGIP.

**Optional Interconnection Study** shall mean any sensitivity or other analysis based on assumptions specified by the Interconnection Customer in the Optional Interconnection Study Agreement.

**Optional Interconnection Study Agreement** shall mean the form of agreement contained in Appendix 5 of this LGIP for conducting the Optional Interconnection Study.

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

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

**Point of Delivery** shall have the meaning ascribed in the Tariff.

**Point of Interconnection** shall mean (i) prior to the execution of the LGIA, the point set forth in Attachment A to Appendix 2 of the Feasibility Study Agreement where the proposed Interconnection Facilities are intended to connect to the Transmission Provider's Transmission System or (ii) upon execution of the LGIA, the point, as set forth in Appendix A to the Large Generator Interconnection Agreement, where the Interconnection Facilities connect to the Transmission Provider's Transmission System.

**Point of Receipt** shall have the meaning ascribed in the Tariff.

**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 a valid Interconnection Request by the Transmission Provider. For purposes of this definition, Transmission Provider shall consider an Interconnection Request to be valid on the date that the Interconnection Customer has satisfied all of the requirements of Section 3.3.1 of this LGIP.

**Reasonable Efforts** shall mean, with respect to an action required to be attempted or taken by a Party under this LGIP or the LGIA, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

**Scoping Meeting** shall mean the meeting between representatives of the Interconnection Customer and Transmission Provider conducted for the purpose of discussing alternative interconnection options, to exchange information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, to analyze such information, and to determine the potential feasible Points of Interconnection, as further described in Section 3.3.4 of this LGIP.

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

**Small Generating Facility** shall mean a Generating Facility that has a Generating Facility Capacity of no more than 20 MW and no less than 2 MW.

**Stand Alone Network Upgrades** shall mean Network Upgrades that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. Both the Transmission Provider and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify these upgrades in Appendix A to the Large Generator Interconnection Agreement.

**Standards of Conduct** shall mean those standards adopted by the Transmission Provider that govern its transmission functions as well as communication of certain information.

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

**Tariff** shall mean the Transmission Provider's Tariff (also known as the Open Access Transmission Tariff or OATT) through which open access Transmission Service and Interconnection Service are offered, as amended or supplemented from time to time, or any successor tariff.

**Transmission Owner** shall mean an entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of Interconnection and, to the extent necessary, may be a Party to the Large Generator Interconnection Agreement.

**Transmission Provider** shall mean the transmitting utility (or its designated agent) that owns, controls, or operates facilities used for the transmission of electric energy in interstate commerce and provides Transmission Service under the Tariff. The term Transmission Provider should be read to include the

Transmission Owner when the Transmission Owner is separate from the Transmission Provider.

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

**Transmission Service** shall mean those services provided to the Transmission Customer under the Tariff to move energy from a Point of Receipt to a Point of Delivery.

**Transmission System** shall mean the alternating current transmission facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide Transmission Service under the Tariff.

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

**WECC** shall mean Western Electricity Coordinating Council or its successor.

## **Section 2. Scope and Application**

- 2.1 Application of Large Generator Interconnection Procedures**  
Sections 2 through 13 of this LGIP apply to the processing of an Interconnection Request pertaining to a Large Generating Facility, **excepting** any and all Interconnection Requests to interconnect to High Voltage Direct Current (HVDC) transmission facilities owned, controlled or operated by Transmission Provider or Transmission Owner that are used to provide Transmission Service under the Tariff,

which such requests shall be processed under a separate and distinct HVDC LGIP/LGIA.

**2.2 Standardized Processing**

Transmission Provider shall receive, process and analyze all Interconnection Requests in a timely manner as set forth in this LGIP. Transmission Provider will use the same Reasonable Efforts in processing and analyzing Interconnection Requests from all Interconnection Customers, whether the Generating Facilities are owned by Transmission Provider, its subsidiaries or Affiliates or others.

**2.3 Base Case Data**

Subject to the Interconnection Customer executing a confidentiality or non-disclosure agreement prior to any disclosure and further subject to the confidentiality provisions in Section 13.1 of this LGIP, Transmission Provider shall provide information on the base power flow, short circuit and stability databases including all underlying assumptions and any contingency list upon request by Interconnection Customer which may include commercially sensitive information or CEII; provided, however, that such information will not be available to Interconnection Customer prior to the Transmission Provider's completion of the Interconnection Study report. Such databases and lists, hereinafter referred to as Base Cases, shall include all (i) generation projects identified by Queue Position only and (ii) transmission projects identified by Queue Position only, including merchant transmission projects that are proposed for the Transmission System for which a transmission expansion plan has been submitted and approved by the applicable authority.

**2.4 No Applicability to Transmission Service**

Nothing in this LGIP shall constitute a request for Transmission Service or confer upon an Interconnection Customer any right to receive Transmission Service. Transmission Provider's acknowledgement or acceptance of an Interconnection Request from Interconnection Customer bears no relationship to Interconnection Customer's access to or the availability of Transmission Service. To request Transmission Service, Interconnection Customer must submit



a separate request for Transmission Service in accordance with the Tariff.

### **Section 3. Interconnection Requests**

#### **3.1 General**

An Interconnection Customer shall submit to Transmission Provider an Interconnection Request in the form of Appendix 1 to this LGIP and a refundable deposit of \$250,000 (“initial deposit”) subject to the terms and conditions of this LGIP. Transmission Provider shall apply the deposit toward administrative and study costs associated with the Interconnection Request, including any administrative costs associated with the Interconnection Customer’s withdrawal or default. Interconnection Customer shall submit a separate Interconnection Request for each site and may submit multiple Interconnection Requests for a single site. Interconnection Customer must submit a deposit with each Interconnection Request even when more than one request is submitted for a single site. Any Interconnection Request which proposes to evaluate one site at two different voltage levels shall be treated as two Interconnection Requests.

At Interconnection Customer's option, Transmission Provider and Interconnection Customer will identify alternative Point(s) of Interconnection and configurations at the Scoping Meeting to evaluate in this process and attempt to eliminate alternatives in a reasonable fashion given resources and information available. Interconnection Customer shall select the designated Point of Interconnection to be studied prior to the execution of the Interconnection Feasibility Study Agreement.

#### **3.2 Identification of Interconnection Service**

At the time the Interconnection Request is submitted, Interconnection Customer must request Energy Resource Interconnection Service. Interconnection Customer may not elect Network Resource Interconnection Service until such service is offered by Transmission Provider under a future, revised LGIP and LGIA.

##### **3.2.1 Energy Resource Interconnection Service**

**3.2.1.1 The Product.** Energy Resource Interconnection Service allows Interconnection Customer to connect the Large Generating Facility to the Transmission System and be eligible to deliver the Large Generating Facility's output using the existing firm or non-firm capacity of the Transmission System on an "as available" basis. Energy Resource Interconnection Service does not in and of itself convey any right to deliver electricity to any specific customer or Point of Delivery.

**3.2.1.2 The Study.** The study consists of power flow, short circuit/fault duty, steady state (thermal and voltage) and stability analyses. The short circuit/fault duty analysis would identify direct Interconnection Facilities required and the Network Upgrades necessary to address short circuit issues associated with the Interconnection Facilities. The stability and steady state studies would identify necessary upgrades to allow full output of the proposed Large Generating Facility and would also identify the maximum allowed output, at the time the study is performed, of the interconnecting Large Generating Facility without requiring additional Network Upgrades.

### **3.2.2 Network Resource Interconnection Service**

**3.2.2.1 Reserved.**

**3.2.2.2 Reserved.**

## **3.3 Valid Interconnection Request**

### **3.3.1 Initiating an Interconnection Request**

To initiate an Interconnection Request, Interconnection Customer must submit all of the following: (i) the initial deposit required pursuant to Section 3.1, (ii) a completed application in the forms of Appendix 1 and Attachment A to Appendix 1, and (iii) demonstration of Site Control or a posting of an additional deposit of \$10,000. The initial deposit shall be applied toward any administrative costs and Interconnection Studies pursuant to the Interconnection Request. If Interconnection Customer demonstrates Site Control within fourteen (14) Calendar Days of submitting its Interconnection Request, the additional deposit shall be refundable; otherwise, such additional deposit becomes non-refundable.

The expected In-Service Date of the new Large Generating Facility or increase in capacity of the existing Generating Facility shall be no more than the process window for the regional expansion planning period (or in the absence of a regional planning process, the process window for Transmission Provider's expansion planning period) not to exceed seven years from the date the Interconnection Request is received by Transmission Provider, unless Interconnection Customer demonstrates that engineering, permitting and construction of the new Large Generating Facility or increase in capacity of the existing Generating Facility will take longer than the regional expansion planning period. The In-Service Date may succeed the date that the Interconnection Request is received by Transmission Provider by a period up to ten years or longer but only in instances where Interconnection Customer and Transmission Provider agree in writing, such agreement not to be unreasonably withheld.

### **3.3.2 Acknowledgment of Interconnection Request**

Transmission Provider shall acknowledge receipt of the Interconnection Request within ten (10) Business Days of receipt of the request. Transmission Provider may or may not attach a copy of the received Interconnection Request to its acknowledgement submitted to Interconnection Customer.

### **3.3.3 Deficiencies in Interconnection Request**

An Interconnection Request will not be considered to be a valid request until all items in Section 3.3.1 have been received by Transmission Provider and Transmission Provider has determined that such items meet the requisites for a valid request. If an Interconnection Request fails to meet the requirements set forth in Section 3.3.1, Transmission Provider shall notify Interconnection Customer within ten (10) 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. Interconnection Customer shall provide Transmission Provider the additional requested information and/or items needed to constitute a valid request within ten (10) Business Days after receipt of such notice. Failure by Interconnection Customer to comply with this Section 3.3.3 shall be treated as a withdrawal in accordance with Section 3.6.

### **3.3.4 Scoping Meeting**

Within twenty (20) Business Days after receipt of a valid Interconnection Request, Transmission Provider shall establish a date agreeable to Interconnection Customer for the Scoping Meeting, and such date shall be no later than thirty (30) Calendar Days from receipt of the valid Interconnection Request, unless otherwise mutually agreed upon by the Parties.

Subject to the confidentiality provisions set forth in Section 13.1, 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. Interconnection Customer shall bring to the meeting such technical data, including, but not limited to: (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, (v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting, (vi) for wind or solar

facilities, generation profile data, and (vii) if the Large Generating Facility is or, as a hybrid, includes solar photovoltaic technology, a completed Attachment A to Appendix 7. Transmission Provider and Interconnection Customer 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, Interconnection Customer shall designate its Point of Interconnection pursuant to Section 6.1, and one or more available alternative Point(s) of Interconnection which will be studied pursuant to Section 6.1 and 6.4 only if a substitution of the designated Point of Interconnection is required. The duration of the meeting shall be sufficient to accomplish its purpose.

### **3.4 OASIS Posting**

Transmission Provider will maintain on its OASIS a list of all Interconnection Requests. The list will identify, for each Interconnection Request: (i) the maximum summer and winter megawatt electrical output; (ii) the location by county and state; (iii) the station or transmission line or lines where the interconnection will be made; (iv) the projected In-Service Date and Commercial Operation Date; (v) the status of the Interconnection Request, including Queue Position; (vi) identification of Energy Resource Interconnection Service as the service being requested; (vii) the date of the Interconnection Request; (viii) the type of Generating Facility to be constructed (combined cycle, base load or combustion turbine and fuel type); and (ix) for Interconnection Requests that have not resulted in a completed interconnection, an explanation as to why it was not completed. Except in the case of an Affiliate, the list will not disclose the identity of Interconnection Customer until Interconnection Customer executes an LGIA or initiates Dispute Resolution pursuant to Section 13.5. Before holding a Scoping Meeting with any Affiliate, Transmission Provider shall post on OASIS an advance notice of its intent to do so. Transmission Provider also shall post to its OASIS site any deviations from the study timelines set forth herein. Transmission Provider shall further

post any known deviations in the Large Generating Facility's In-Service Date.

### **3.5 Coordination with Affected Systems**

Transmission Provider will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators and, if possible, include those results (if available) in its applicable Interconnection Study report within the time frame specified in this LGIP.

Transmission Provider will include such Affected System Operators in all meetings held with Interconnection Customer as required by this LGIP. Interconnection Customer will cooperate with Transmission Provider in all matters related to the conduct of studies and the determination of modifications to Affected Systems. A transmission provider which may be an Affected System shall cooperate with Transmission Provider with whom interconnection has been requested in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

### **3.6 Withdrawal**

Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to Transmission Provider. In addition, if Interconnection Customer fails to adhere to all requirements of this LGIP, except as provided in Section 13.5 (Disputes), Transmission Provider shall deem the Interconnection Request to be withdrawn and shall provide written notice to Interconnection Customer of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, Interconnection Customer shall have fifteen (15) Business Days in which to either respond with information or action that cures the deficiency or to notify Transmission Provider of its intent to pursue Dispute Resolution.

Withdrawal shall result in the loss of Interconnection Customer's Queue Position. If an Interconnection Customer timely disputes the withdrawal and loss of its Queue Position, then during Dispute Resolution, Interconnection Customer's Interconnection Request is eliminated from the queue if and until such time that the outcome of

the Dispute Resolution would restore its Queue Position. An Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request shall be responsible to Transmission Provider for all costs that Transmission Provider prudently incurs with respect to that Interconnection Request and such costs shall be deducted from Interconnection Customer's initial deposit or, alternatively, if the remaining balance of the initial deposit is insufficient to cover all of the costs incurred by Transmission Provider, Interconnection Customer shall pay Transmission Provider within ten (10) Calendar Days from the date of its notice described above. Interconnection Customer must pay or must be deemed to have paid all monies due to Transmission Provider before it is allowed to obtain any Interconnection Study data, report or results.

Transmission Provider shall (i) update the OASIS Queue Position posting and (ii) refund to Interconnection Customer any portion of Interconnection Customer's initial deposit or study payments that exceed the costs that Transmission Provider has incurred in accordance with Section 3.1. In the event of such withdrawal, Transmission Provider, subject to the confidentiality provisions of Section 13.1, shall provide, at Interconnection Customer's request, all information that Transmission Provider developed for any completed study conducted up to the date of withdrawal of the Interconnection Request upon the conditions set forth in this Section 3.6.

## **Section 4. Queue Position**

### **4.1 General**

Transmission Provider 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 Interconnection Customer provides such information in accordance with Section 3.3.3, then Transmission Provider shall assign Interconnection Customer a Queue Position based on the date the application form was originally filed.

Any change in the Point of Interconnection shall result in a lowering of Queue Position if it is deemed a Material Modification under Section 4.4.3.

The Queue Position of each Interconnection Request will be used to determine the order of performing the Interconnection Studies and determination of cost responsibility for the facilities necessary to accommodate the Interconnection Request. 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.

Transmission Provider may allocate the cost of the common upgrades for clustered Interconnection Requests without regard to Queue Position.

#### **4.2 Clustering**

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

Clustering shall be implemented on the basis of Queue Position. If Transmission Provider 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 as Energy Resource Interconnection Service. The deadline for completing all Interconnection System Impact Studies for which an Interconnection System Impact 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. Transmission Provider may study an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Large Generating Facility.

Clustering Interconnection System 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 Transmission System's 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 Transmission Provider'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 Queue Position can be transferred only once. Such transfer is valid only if: (i) the entity assuming the Queue Position from the original Interconnection Customer acquires the specific Generating Facility identified in the Interconnection Request; (ii) the Point of Interconnection does not change; (iii) no Material Modifications are requested; and (iv) such entity acknowledges in writing that this LGIP controls, it is bound by all terms and conditions of any agreement executed between Transmission Provider and original Interconnection Customer, and the interconnection request remains subject to all study results previously issued by or on behalf of Transmission Provider.

Transmission Provider will not treat any corporate restructure, merger or acquisition as a transfer of the Interconnection Customer's Queue Position; provided that, Interconnection Customer provides sufficient proof to the Transmission Provider of such corporate restructure, merger or acquisition. If the Interconnection Customer fails to validate its corporate restructure, merger or acquisition within sixty (60) Calendar Days of the Transmission Provider's request for such proof, the change in entity will be treated as a transfer subject to the requirements of this Section 4.3.

#### **4.4 Modifications**

Interconnection Customer shall submit to Transmission Provider, in writing, modifications to any information provided in the Interconnection Request. Interconnection Customer shall retain its

Queue Position if the modifications are permitted within the scope of Sections 4.4.1, 4.4.2 or 4.4.5, or are determined by Transmission Provider not to be Material Modifications pursuant to Section 4.4.3.

Notwithstanding the above, during the course of the Interconnection Studies, either Interconnection Customer or Transmission Provider may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to Transmission Provider and Interconnection Customer, such acceptance not to be unreasonably withheld, Transmission Provider 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 Interconnection Customer shall retain its Queue Position.

**4.4.1 Prior to Interconnection System Impact Study Agreement**

Prior to the return of the executed Interconnection System Impact Study Agreement to Transmission Provider, 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 Generating 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 cost allocation and study analysis.

**4.4.2 Prior to Interconnection Facilities Study Agreement**

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

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

#### **4.4.3 Material Modifications**

Prior to making any modification other than those specifically permitted by Sections 4.4.1, 4.4.2, and 4.4.5, Interconnection Customer may first request that Transmission Provider evaluate whether such modification is a Material Modification. In response to Interconnection Customer's request, Transmission Provider shall evaluate the proposed modifications prior to making them and inform Interconnection Customer in writing of whether the modifications would constitute a Material Modification. Any change to the Point of Interconnection, except those expressly deemed permissible under Sections 4.4, 6.1, and 7.2, shall constitute a Material Modification. Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification in accordance with Section 4.4.3.1.

##### **4.4.3.1 Withdrawal or New Interconnection Request**

Any and all Material Modifications to an existing Interconnection Request shall require a new Interconnection Request. Interconnection Customer will be required to submit a new request which incorporates the Material Modification and satisfies the requirements of Section 3. If Interconnection Customer fails to withdraw the proposed modification that results in a Material Modification within thirty (30) Calendar Days of Transmission Provider's notification, then the provisions of Section 3.6 shall be invoked.

#### **4.4.4 Studies for Permitted Modifications**

Upon receipt of Interconnection Customer's request for any modification expressly permitted under this Section 4.4, Transmission Provider shall commence and perform any necessary additional studies as soon as practicable, which

Transmission Provider will make Reasonable Efforts to commence such studies no later than thirty (30) Calendar Days after receiving notice of Interconnection Customer's request. Any additional studies resulting from such modification shall be done at Interconnection Customer's cost.

**4.4.5 Extension of Commercial Operation Date**

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

**4.4.6 No Advancement of Commercial Operation Date**

Under no circumstances will the Transmission Provider permit the Interconnection Customer to change the Commercial Operation Date to a date that is earlier in time than the date specified in the Interconnection Request application.

**4.5 Denial of Interconnection Request for Adverse System Impact**

Transmission Provider reserves the right to deny any Interconnection Request and release a Queue Position in the unique circumstance where an Interconnection Study determines that the Interconnection will create an Adverse System Impact on facilities or systems for which no substitute or alternative Point(s) of Interconnection or any proposed addition, modification or upgrade adequately resolves the Adverse System Impact.

**Section 5. Procedures for Interconnection Requests Submitted Prior to Effective Date of Large Generator Interconnection Procedures**

**5.1 Queue Position for Pending Requests**

**5.1.1** Any Interconnection Customer assigned a Queue Position prior to the effective date of this LGIP shall retain that Queue Position.

**5.1.1.1** If any Interconnection Study Agreement has not been executed as of the effective date of this LGIP,

then such relevant Interconnection Study, and any subsequent Interconnection Studies, shall be processed in accordance with this LGIP.

**5.1.1.2** If an Interconnection Study Agreement has been executed prior to the effective date of this LGIP, such Interconnection Study shall be completed in accordance with the terms of such agreement. With respect to any remaining studies for which an Interconnection Customer has not signed an Interconnection Study Agreement prior to the effective date of this LGIP, Interconnection Customer's Interconnection Request and all future Interconnection Studies shall be processed and performed pursuant to the terms and conditions of this LGIP.

**5.1.1.3** Within ninety (90) Calendar Days of the date that this LGIP takes effect, all Interconnection Customers with a valid Interconnection Request preceding the effective date of this LGIP shall submit to Transmission Provider the initial deposit of \$250,000 required in Section 3.1 of this LGIP less any deposit and costs invoiced by Transmission Provider under the terms of the former LGIP and any former or pending Interconnection Study Agreement executed by the Parties.

## **5.2 New Transmission Provider**

If Transmission Provider transfers control of its Transmission System, in whole or in part, to a successor Transmission Provider during the period when an Interconnection Request is pending and affected by such transfer, the original Transmission Provider shall transfer to the successor Transmission Provider any amount of the deposit or payment that exceeds the cost that it incurred to evaluate the request for interconnection. Any remaining deposit or payment required by

this LGIP shall be assigned to the successor Transmission Provider, as appropriate. The original Transmission Provider shall coordinate with the successor Transmission Provider to complete any Interconnection Study, as appropriate, that the original Transmission Provider has begun but has not completed. If the original Transmission Provider has tendered a draft LGIA to Interconnection Customer but Interconnection Customer has neither executed the LGIA nor initiated Dispute Resolution pursuant to Section 13.5, Interconnection Customer must complete negotiations with the successor Transmission Provider unless mutually agreed otherwise.

## **Section 6. Interconnection Feasibility Study**

### **6.1 Interconnection Feasibility Study Agreement**

Simultaneously with the acknowledgement of a valid Interconnection Request, Transmission Provider shall provide to Interconnection Customer with a draft Interconnection Feasibility Study Agreement in the form of Appendix 2 for the Interconnection Customer's review and consideration. The draft Interconnection Feasibility Study Agreement shall specify that Interconnection Customer is responsible for the actual cost of the Interconnection Feasibility Study and that the Transmission Provider will draw on the Interconnection Customer's deposit, as provided for in Section 3.1, to perform the study.

Except in cases when the Interconnection Customer and Transmission Provider mutually agree to waive the Interconnection Feasibility Study in accordance with Section 6.1.1, within five (5) Business Days following the Scoping Meeting, Interconnection Customer shall complete and submit Attachment A to Appendix 2 to Transmission Provider to specify the designated Point of Interconnection and any reasonable alternative Point(s) of Interconnection. The Transmission Provider shall make Reasonable Efforts, within five (5) Business Days following Transmission Provider's receipt of such designation and any reasonable alternative Point(s) of Interconnection, to execute and tender to Interconnection Customer the Interconnection Feasibility Study Agreement, which includes a good faith estimate of the cost for completing the Interconnection Feasibility Study. If Transmission Provider cannot execute and tender such an agreement within this

time frame, Transmission Provider shall provide to Interconnection Customer an estimated date for such execution and tendering along with an explanation of the reasons why additional time is required. Interconnection Customer shall execute and deliver to Transmission Provider the Interconnection Feasibility Study Agreement no later than thirty (30) Calendar Days after it receives the agreement from the Transmission Provider, subject to Section 3.6.

Concurrently with or before the Interconnection Customer's execution and return of the Interconnection Feasibility Study Agreement to Transmission Provider, Interconnection Customer 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 Interconnection Customer or Transmission Provider, and acceptable to the other, 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 Transmission Provider and Interconnection Customer cannot agree on the substituted Point of Interconnection, then Interconnection Customer, in accordance with Section 3.3.4, may direct that one of the alternative Point(s) of Interconnection specified in the Interconnection Feasibility Study Agreement shall be the substitute.

#### **6.1.1 Waiver of Feasibility Study**

If Interconnection Customer and Transmission Provider mutually agree in writing to forgo the Interconnection Feasibility Study, Transmission Provider will initiate an Interconnection System Impact Study under Section 7 of this LGIP and apply the deposit identified in Section 3.1 towards the Interconnection System Impact Study; provided that, Interconnection Customer submits a completed Attachment A to both Appendices 1 and 2 to Transmission Provider prior to executing the Interconnection System Impact Study Agreement.

### **6.1.2 Conversion from Feasibility Study Agreement to System Impact Study Agreement**

Interconnection Customer may, at any time during Transmission Provider's performance of the Interconnection Feasibility Study, request the Transmission Provider to convert the study to an Interconnection System Impact Study subject to Transmission Provider's consent. If Transmission Provider consents to Interconnection Customer's request to convert, Transmission Provider and Interconnection Customer shall satisfy the requirements set forth in Section 7 of this LGIP to convert to a System Impact Study. Any and all costs and expenses for the Interconnection Feasibility Study incurred by Transmission Provider prior to its receipt of Interconnection Customer's request for conversion shall be deducted from Interconnection Customer's initial deposit in accordance with Sections 3.1 and 3.3.1 of the LGIP.

### **6.2 Scope of Interconnection Feasibility Study**

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

The Interconnection Feasibility Study will consider the Base Case as well as all generating facilities (and with respect to (iii), any identified Network Upgrades) that, on the date the Interconnection Feasibility Study is commenced: (i) are directly interconnected to Transmission System; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending higher queued Interconnection Request to interconnect to the Transmission System; and (iv) have no Queue Position but have executed an LGIA or have initiated Dispute Resolution pursuant to Section 13.5. The Interconnection Feasibility Study will consist of a power flow and short circuit analysis only. The Interconnection Feasibility Study report will provide a preliminary list of facilities and a non-binding good faith estimate of cost responsibility along with a non-binding good faith estimated time to construct.

### **6.3 Interconnection Feasibility Study Procedures**



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

#### **6.3.1 Meeting with Transmission Provider**

Within twenty (20) Business Days of providing an Interconnection Feasibility Study report to Interconnection Customer, Transmission Provider will make Reasonable Efforts to meet with Interconnection Customer to discuss the results of the Interconnection Feasibility Study. If Transmission Provider cannot schedule such a meeting in this period, Transmission Provider shall provide Interconnection Customer with an estimated date and an explanation of the reason why additional time is required.

#### **6.4 Re-study of Interconnection Feasibility Study**

If 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, Transmission Provider shall notify Interconnection Customer in writing. Transmission Provider will make Reasonable Efforts to conduct such re-study within forty-five (45) Calendar Days from the date of its

notice. If Transmission Provider cannot complete the re-study in this period, Transmission Provider will provide Interconnection Customer with an estimated date of completion and an explanation of why additional time is required. Any cost of re-study shall be borne by the Interconnection Customer being re-studied and shall be drawn against Interconnection Customer's initial deposit.

## **Section 7. Interconnection System Impact Study**

### **7.1 Interconnection System Impact Study Agreement**

Unless otherwise agreed, pursuant to the Scoping Meeting provided in Section 3.3.4, upon (i) the delivery of the Interconnection Feasibility Study report to Interconnection Customer or (ii) Transmission Provider's consent to Interconnection Customer's request for written waiver pursuant to Section 6.1.1 or (iii) Transmission Provider's consent to Interconnection Customer's request to convert to a System Impact Study pursuant to Section 6.1.2, which each option requires the Transmission Provider's receipt of Interconnection Customer's completed Attachment A to both Appendices 1 and 2, Transmission Provider shall provide to Interconnection Customer a draft Interconnection System Impact Study Agreement in the form of Appendix 3 to this LGIP. The Interconnection System Impact Study Agreement shall provide that Interconnection Customer shall compensate Transmission Provider for the actual cost of the Interconnection System Impact Study.

Within ten (10) Business Days following the Interconnection Feasibility Study results meeting or the date of its acceptance of Interconnection Customer's request for written waiver pursuant to Section 6.1.1 or the date of its receipt of Interconnection Customer's notice to convert to a System Impact Study pursuant to Section 6.1.2, Transmission Provider shall provide to Interconnection Customer an executed Interconnection System Impact Study Agreement which includes a non-binding good faith estimate of the cost and timeframe for completing the Interconnection System Impact Study.

The Transmission Provider will draw upon any remainder of the Interconnection Customer's initial deposit to perform the study. In the event that the remainder of the initial deposit is not sufficient to cover the actual costs of the Interconnection System Impact Study, including any costs incurred for re-studying the system impact of the project in accordance with Section 7.6, the Transmission Provider shall invoice Interconnection Customer for the good faith estimate to complete the study and/or re-study. Interconnection Customer shall submit payment no later than fifteen (15) Calendar Days of its receipt of the invoice. If Transmission Provider does not receive payment for the estimated balance from Interconnection Customer within the time required above, Transmission Provider shall provide written notice in accordance with Section 3.6 and the Interconnection Customer shall be bound by the terms and time requirements in Section 3.6 to cure non-payment.

- 7.2 Execution of Interconnection System Impact Study Agreement**  
Interconnection Customer shall execute the Interconnection System Impact Study Agreement and deliver the executed Interconnection System Impact Study Agreement to Transmission Provider no later than thirty (30) Calendar Days after its receipt, along with demonstration of Site Control or the additional posting of a \$50,000 deposit which shall be refundable without interest if and when Interconnection Customer demonstrates Site Control or withdraws its application..

If Interconnection Customer does not provide all required technical data when it delivers the Interconnection System Impact Study Agreement, Transmission Provider shall make Reasonable Efforts to notify Interconnection Customer of the deficiency. Upon its receipt of the notice of deficiency from Transmission Provider, Interconnection Customer 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 Impact Study Agreement or deposit.

If the Interconnection System Impact Study report uncovers any unexpected result(s) not contemplated during the Scoping Meeting

and, if applicable, the Interconnection Feasibility Study, a substitute Point of Interconnection identified by either Interconnection Customer or Transmission Provider, and acceptable to the other, 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 Transmission Provider and Interconnection Customer cannot agree on the substituted Point of Interconnection, then Interconnection Customer, in accordance with Section 3.3.4, may direct Transmission Provider to consider and study one of the alternative Point(s) of Interconnection specified in Attachment A to Appendix 2 as a substitute Point of Interconnection.

### **7.3 Scope of Interconnection System Impact Study**

The Interconnection System Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the Transmission System. The Interconnection System Impact Study will consider the Base Case as well as all generating facilities (and with respect to (iii) below, any identified Network Upgrades associated with such higher queued interconnection) that, on the date the Interconnection System Impact Study is commenced: (i) are directly interconnected to the Transmission System; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending higher queued Interconnection Request to interconnect to the Transmission System; and (iv) have no Queue Position but have executed an LGIA or have initiated Dispute Resolution pursuant to Section 13.5.

The Interconnection System Impact Study will consist of analyses of short circuit/fault duty, stability, power flow, reactive margin and, if deemed necessary by the Transmission Provider, harmonics and/or subsynchronous resonance (SSR). The Interconnection System Impact Study will state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing the requested interconnection service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those

analyses and implement the interconnection. The Interconnection System Impact Study will provide a list of facilities that are required as a result of the Interconnection Request and a non-binding good faith estimate of cost responsibility along with a non-binding good faith estimated time to construct.

#### **7.4 Interconnection System Impact Study Procedures**

Transmission Provider shall coordinate the Interconnection System Impact Study with any Affected System that is affected by the Interconnection Request pursuant to Section 3.5. Transmission Provider shall utilize existing studies to the extent practicable when it performs the study. Transmission Provider shall use Reasonable Efforts to complete the Interconnection System Impact Study within ninety (90) Calendar Days after (1) the Interconnection System Impact Study Agreement has been fully executed by the Parties; (2) all required technical data has been submitted by Interconnection Customer; and, if applicable, (3) any portion of the actual study costs that is not covered by Interconnection Customer's initial deposit has been fully paid. If Transmission Provider uses Clustering, Transmission Provider shall use Reasonable Efforts to deliver a completed Interconnection System Impact Study within ninety (90) Calendar Days after the close of the Queue Cluster Window.

At the request of Interconnection Customer or at any time Transmission Provider determines that it will not meet the required time frame for completing the Interconnection System Impact Study, Transmission Provider shall notify Interconnection Customer as to the schedule status of the Interconnection System Impact Study. If Transmission Provider is unable to complete the Interconnection System Impact Study within the time period, it shall notify Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, Transmission Provider shall provide Interconnection Customer with all supporting documentation, any relevant power flows, and short circuit and stability databases for the Interconnection System Impact Study, subject to confidentiality arrangements consistent with Section 13.1.

**7.5 Meeting with Transmission Provider**

Within ten (10) Business Days of providing an Interconnection System Impact Study report to Interconnection Customer, Transmission Provider shall make Reasonable Efforts to meet with Interconnection Customer to discuss the results of the Interconnection System Impact Study.

**7.6 Re-study of System Impact Study**

If re-study of the Interconnection System Impact 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 7.2, Transmission Provider shall notify Interconnection Customer in writing. Such re-study shall take no longer than sixty (60) Calendar Days from the date of notice. If Transmission Provider is unable to complete the re-study within this time period, it shall notify Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Any cost of re-study shall be borne by the Interconnection Customer being re-studied.

**Section 8. Interconnection Facilities Study**

**8.1 Interconnection Facilities Study Agreement**

Simultaneously with Transmission Provider's delivery of the Interconnection System Impact Study report or re-study report to Interconnection Customer, Transmission Provider shall provide to Interconnection Customer with a draft Interconnection Facilities Study Agreement in the form of Appendix 4 to this LGIP. The Interconnection Facilities Study Agreement shall provide that Interconnection Customer shall compensate Transmission Provider for the actual cost of the Interconnection Facilities Study. Within ten (10) Business Days following the Interconnection System Impact Study results meeting or as soon as practicable, Transmission Provider shall provide to Interconnection Customer an executed Interconnection Facilities Study Agreement which includes a non-binding good faith estimate of the cost and timeframe for completing the Interconnection

Facilities Study. Within thirty (30) Calendar Days after its receipt of the foregoing documents, Interconnection Customer shall deliver to Transmission Provider (i) the fully executed Interconnection Facilities Study Agreement, (ii) the required technical data, and (iii) the full amount of the study deposit required pursuant to Section 8.1.1.

#### **8.1.1 Deposit and Payment For Interconnection Facilities Study**

The Transmission Provider will draw upon any remainder of the Interconnection Customer's initial deposit to perform the Interconnection Facilities Study. In the event that the remainder of the initial deposit is insufficient to cover the actual costs, including any costs incurred for re-studying the facility impact in accordance with Section 8.5, the Transmission Provider shall require an additional deposit in the amount invoiced to Interconnection Customer for the good faith estimate to complete the study and/or re-study. Interconnection Customer shall submit the additional deposit no later than thirty (30) Calendar Days of its receipt of the invoice. If Transmission Provider does not receive the deposit from Interconnection Customer within the time prescribe above, the Interconnection Customer shall be bound to the terms and time requirements in Section 3.6 to cure non-payment. Any shortage between the additional deposit and the actual costs of the Interconnection Facilities Study will be invoiced to Interconnection Customer and shall be paid in accordance with the terms of the invoice, subject to Section 3.6.

#### **8.2 Scope of Interconnection Facilities Study**

The Interconnection Facilities Study shall specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Interconnection System Impact Study report in accordance with Good Utility Practice and NERC/WECC reliability standards set forth in Section 13.7 to physically and electrically connect the Interconnection Facilities to the Transmission System. The Interconnection Facilities Study shall also identify the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear,

meters, and other station equipment; the nature and estimated cost of any Transmission Provider's Interconnection Facilities and Network Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities.

### **8.3 Interconnection Facilities Study Procedures**

Transmission Provider shall coordinate the Interconnection Facilities Study with any Affected System pursuant to Section 3.5 above. Transmission Provider shall utilize existing studies to the extent practicable in performing the Interconnection Facilities Study. After receipt of an executed Interconnection Facilities Study Agreement, Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within one hundred twenty (120) Calendar Days with no more than a +/- 20 percent cost estimate contained in the report or, alternatively, within one hundred eighty (180) Calendar Days with no more than a +/- 10 percent cost estimate.

At the request of Interconnection Customer or at any time Transmission Provider determines that it will not meet the required time frame for completing the Interconnection Facilities Study, Transmission Provider shall notify Interconnection Customer as to the schedule status of the Interconnection Facilities Study. If Transmission Provider is unable to complete the Interconnection Facilities Study and issue a draft Interconnection Facilities Study report within the time required, it shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required.

Interconnection Customer may, within thirty (30) Calendar Days after receipt of the draft report, provide written comments to Transmission Provider, which Transmission Provider shall include in the final report. Transmission Provider shall issue the final Interconnection Facilities Study report within twenty-five (25) Business Days of receiving Interconnection Customer's comments or promptly upon receiving Interconnection Customer's statement that it will not provide comments. Transmission Provider may reasonably extend such



twenty-five-day period upon notice to Interconnection Customer if Interconnection Customer's comments require Transmission Provider to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Study report. Upon request, Transmission Provider shall provide Interconnection Customer with supporting documentation and databases or data developed in the preparation of the Interconnection Facilities Study, subject to confidentiality arrangements consistent with Section 13.1.

#### **8.4 Meeting with Transmission Provider**

Within twenty (20) Business Days of providing a draft Interconnection Facilities Study report to Interconnection Customer or as soon as practicable, Transmission Provider and Interconnection Customer shall meet to discuss the results of the Interconnection Facilities Study.

#### **8.5 Re-study of Facilities Study**

If re-study of the Interconnection Facilities Study is required due to a higher queued project dropping out of the queue or a modification of a higher queued project pursuant to Section 4.4, Transmission Provider shall so notify Interconnection Customer in writing. Such re-study shall take no longer than sixty (60) Calendar Days from the date of notice, unless mutually agreed otherwise. Any cost of re-study shall be borne by the Interconnection Customer.

### **Section 9. Engineering & Procurement ('E&P') Agreement**

Prior to executing an LGIA, an Interconnection Customer may, in order to advance the implementation of its interconnection, request and Transmission Provider may offer the Interconnection Customer, an E&P Agreement that authorizes Transmission Provider to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection; provided, however, Transmission Provider shall not consider an E&P Agreement if Interconnection Customer is in Dispute Resolution as a result of an allegation that Interconnection Customer has failed to meet any milestones or comply with any prerequisites specified in other parts of

the LGIP. The E&P Agreement is an optional procedure and it will not alter the Interconnection Customer's Queue Position or In-Service Date. The E&P Agreement shall provide for Interconnection Customer to pay the cost of all activities authorized by Interconnection Customer and to make advance payments or provide other satisfactory security for such costs.

Interconnection Customer shall pay the cost of such authorized activities and any cancellation costs for equipment that is already ordered for its interconnection, which cannot be mitigated as hereafter described, whether or not such items or equipment later become unnecessary. If Interconnection Customer withdraws its application for interconnection or either Party terminates the E&P Agreement, to the extent the equipment ordered can be canceled under reasonable terms, Interconnection Customer shall be obligated to pay the associated cancellation costs. To the extent that the equipment cannot be reasonably canceled, Transmission Provider may elect at its sole discretion: (i) to take title to the equipment, in which event Transmission Provider shall refund Interconnection Customer any amounts paid by Interconnection Customer for such equipment and shall pay the cost of delivery of such equipment, or (ii) to transfer title to and deliver such equipment to Interconnection Customer, in which event Interconnection Customer shall pay any unpaid balance and cost of delivery of such equipment prior to taking title and possession.

## **Section 10. Optional Interconnection Study**

### **10.1 Optional Interconnection Study Agreement.**

On or after the date when Interconnection Customer receives the Interconnection System Impact Study results, Interconnection Customer may request, and Transmission Provider shall perform, a reasonable number of Optional Studies. The request shall describe the assumptions that Interconnection Customer wishes Transmission Provider 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 or as soon as practicable, Transmission

Provider shall provide to Interconnection Customer an Optional Interconnection Study Agreement in the form of Appendix 5.

The Optional Interconnection Study Agreement shall: (i) specify the technical data that Interconnection Customer must provide for each phase of the Optional Interconnection Study, (ii) specify Interconnection Customer's assumptions as to which Interconnection Requests with earlier queue priority dates will be excluded from the Optional Interconnection Study case and assumptions on Energy Resource Interconnection Service for Interconnection Requests remaining in the Optional Interconnection Study case, and (iii) Transmission Provider's estimate of the cost of the Optional Interconnection Study. To the extent known by Transmission Provider, 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, Transmission Provider shall not be required as a result of an Optional Interconnection Study request to conduct any additional Interconnection Study with respect to any other Interconnection Request.

Interconnection Customer shall execute the Optional Interconnection Study Agreement within ten (10) Business Days of receipt and deliver the Optional Interconnection Study Agreement, the required technical data and a \$10,000 deposit to Transmission Provider which shall be managed as a separate account from Interconnection Customer's initial deposit.

#### **10.2 Scope of Optional Interconnection Study**

The Optional Interconnection Study will consist of a sensitivity analysis based on the assumptions specified by Interconnection Customer in the Optional Interconnection Study Agreement. The Optional Interconnection Study will also identify Transmission Provider's Interconnection Facilities and the Network Upgrades, and the estimated cost thereof, that may be required to provide Transmission Service or Interconnection Service based upon the results of the Optional Interconnection Study. The Optional Interconnection Study shall be performed solely for informational

purposes. Transmission Provider shall use Reasonable Efforts to coordinate the study with any Affected Systems that may be affected by Energy Resource Interconnection Service that is being studied. Transmission Provider 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 Transmission Provider within ten (10) Business Days of Interconnection Customer's receipt of the Optional Interconnection Study Agreement. Transmission Provider 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 Transmission Provider is unable to complete the Optional Interconnection Study within such time period, it shall notify Interconnection Customer 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 Transmission Provider or refunded to Interconnection Customer, as appropriate, separate and apart from Interconnection Customer's initial deposit. Upon request, Transmission Provider shall provide Interconnection Customer with supporting documentation and databases or data developed in the preparation of the Optional Interconnection Study, subject to confidentiality arrangements consistent with Section 13.1.

## **Section 11. Large Generator Interconnection Agreement (LGIA)**

### **11.1 Tender**

Interconnection Customer shall tender comments on the draft Interconnection Facilities Study report within thirty (30) Calendar Days of receipt of the report. Within forty-five (45) Calendar Days after the comments are received or as soon as practicable, Transmission Provider shall tender a draft LGIA, together with draft appendices, attached as Appendix 6. Interconnection Customer shall

execute the LGIA and return it with all completed appendices within thirty (30) Calendar Days, unless mutually agreed otherwise.

### **11.2 Negotiation**

Notwithstanding Section 11.1, at the request of Interconnection Customer, Transmission Provider shall begin negotiations with Interconnection Customer concerning the appendices to the LGIA at any time after Interconnection Customer executes the Interconnection Facilities Study Agreement. Transmission Provider and Interconnection Customer shall negotiate any disputed provisions of the appendices to the draft LGIA for not more than sixty (60) Calendar Days after tender of the final Interconnection Facilities Study report. If Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft LGIA pursuant to Section 11.1 and initiate Dispute Resolution pursuant to Section 13.5. If Interconnection Customer requests termination of the negotiations, but within sixty (60) Calendar Days thereafter fails to initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if Interconnection Customer has not executed the LGIA or initiated Dispute Resolution pursuant to Section 13.5 within sixty (60) Calendar Days of the Transmission Provider's tender of draft LGIA, it shall be deemed to have withdrawn its Interconnection Request pursuant to Section 3.6. Otherwise, Transmission Provider shall provide to Interconnection Customer 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, Interconnection Customer shall provide Transmission Provider (A) reasonable evidence of continued Site Control or proof that it has now obtained Site Control or (B) if Site Control has not been demonstrated by reasonable evidence, post \$250,000 additional security, which shall be applied toward future construction costs. At the same time, Interconnection Customer also shall provide reasonable evidence that one or more of the following milestones in the development of the Large Generating Facility, at Interconnection

Customer's 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) the execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Large Generating Facility; (iv) the execution of a contract for the sale of electric energy or capacity from the Large Generating Facility; or (v) a completed application for an air, water, or land use permit.

Interconnection Customer shall either: (i) execute two originals of the tendered LGIA and return both signed originals to Transmission Provider; or (ii) initiate Dispute Resolution pursuant to Section 13.5.

#### **11.4 Commencement of Interconnection Activities**

If Interconnection Customer executes the final LGIA, Transmission Provider and Interconnection Customer shall perform their respective obligations in accordance with the terms of the LGIA.

### **Section 12. Construction of Transmission Provider's Interconnection Facilities and Network Upgrades**

#### **12.1 Schedule**

Transmission Provider and Interconnection Customer shall negotiate in good faith concerning a schedule for the construction of Transmission Provider's Interconnection Facilities and the Network Upgrades.

#### **12.2 Construction Sequencing**

##### **12.2.1 General**

In general, the In-Service Date of an Interconnection Customer seeking interconnection to the Transmission System will determine the sequence of construction of Network Upgrades.

**12.2.2 Advance Construction of Network Upgrades that are an Obligation of an Entity other than Interconnection Customer**

An Interconnection Customer with an executed LGIA, in order to maintain its In-Service Date, may request that Transmission Provider advance, to the extent possible, the completion of Network Upgrades that: (i) were assumed in the Interconnection Studies for such Interconnection Customer, (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 Interconnection Customer that is seeking interconnection to the Transmission System, in time to support such In-Service Date. Upon such request, Transmission Provider will use Reasonable Efforts to advance the construction of such Network Upgrades to accommodate such request but is not under any obligation to do so; provided that, Interconnection Customer commits to pay Transmission Provider: (i) any and all associated expediting costs and (ii) the cost of such Network Upgrades.

**12.2.3 Advancing Construction of Network Upgrades that are Part of an Expansion Plan of the Transmission Provider**

An Interconnection Customer with an executed LGIA, in order to maintain its In-Service Date, may request that Transmission Provider advance, to the extent possible, the completion of Network 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 Transmission Provider or other regional transmission planning process, in time to support such In-Service Date. Upon such request, Transmission Provider will use Reasonable Efforts to advance the construction of such Network Upgrades to accommodate such request but is not under any obligation to do so; provided that, Interconnection Customer commits to pay Transmission Provider any and all associated expediting costs.

**12.2.4 Amended Interconnection System Impact Study**

If Transmission Provider can accommodate Interconnection Customer's request pursuant to Section 12.2.2 or 12.2.3, an amended Interconnection System Impact Study will be required 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. Any and all costs and expenses associated with this amended Interconnection System Impact Study shall be borne by Interconnection Customer.

## **Section 13. Miscellaneous**

### **13.1 Confidentiality**

Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by either of the Parties to the other prior to the execution of an LGIA.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

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

#### **13.1.1 Scope**

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving



Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the best of the receiving Party's knowledge, 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 LGIP or the LGIA or violation of any provision of this LGIP; 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 this LGIP or the LGIA. 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**

In addition to the terms and conditions of the LGIP, Transmission Provider may request Interconnection Customer, its agents, employees or assignee to execute a separate confidentiality agreement. Neither Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), employees, consultants, or to parties who may be or considering providing financing to or equity participation with Interconnection Customer, or to a potential purchaser or assignee of Interconnection Customer, on a need-to-know basis in connection with these procedures, unless such person has first been advised of the confidentiality provisions of this Section 13.1 and has agreed to comply with such provisions. Notwithstanding the foregoing, the Party providing Confidential Information about the Interconnection Request to

any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section 13.1.

### **13.1.3 Rights**

Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other Party of Confidential Information shall not be deemed a waiver by either Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

### **13.1.4 No Warranties**

By providing Confidential Information, neither Party makes any warranties or representations as to its accuracy, reliability or completeness, unless otherwise stated. In addition, by supplying Confidential Information, neither Party obligates itself to provide any particular information or Confidential Information to the other Party nor to enter into any further agreements or proceed with any other relationship or joint venture.

### **13.1.5 Standard of Care**

Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination, subject to Sections 13.1.6 and 13.1.12. Each Party may use Confidential Information solely to fulfill its obligations to the other Party under these procedures or its regulatory or municipal requirements.

### **13.1.6 Order of Disclosure**

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

protective order or waive compliance with the terms of this LGIP or the LGIA. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

#### **13.1.7 Remedies**

The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's Breach of its obligations under this Section 13.1. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Section 13.1, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Section 13.1, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Section 13.1.

#### **13.1.8 Disclosure to FERC, its Staff, or a State Regulatory Agency**

Notwithstanding anything in this Section 13.1 to the contrary, and pursuant to 18 CFR section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to the LGIP, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 CFR section 388.112, request that the

information be treated as confidential and non-public by FERC and its staff and that the information should be withheld from public disclosure. Parties are prohibited from notifying the other Party prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Party to the LGIA when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time either of the Parties may respond before such information would be made public, pursuant to 18 CFR section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner, consistent with applicable state rules and regulations.

### **13.1.9 Disclosure to Third Parties**

Subject to the exception in Section 13.1.8, any Confidential Information that a Party claims contains competitively sensitive, commercial or financial information shall not be disclosed by the other Party to any person who is not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this LGIP or as a transmission service provider or a Balancing Authority including disclosing the Confidential Information to an RTO or ISO or to a sub-regional, regional or national reliability organization, or a regional or interregional transmission planning group. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public

disclosure by confidentiality agreement, protective order or other reasonable measures.

**13.1.10 Information within Public Domain**

Section 13 shall not apply to any information that was or is hereafter in the public domain (except as a result of a Breach of the provisions hereunder).

**13.1.11 Destruction of Confidential Information**

Transmission Provider shall, at Interconnection Customer's election, destroy (in a confidential manner) or return the Confidential Information that is no longer needed by Transmission Provider for the Interconnection Request.

**13.1.12 CPRA, Brown Act and NERC/WECC Requirements**

In addition to the foregoing provisions under this Section 13.1, Interconnection Customer acknowledges that Transmission Provider is subject to disclosure as required by the California Public Records Act, Cal. Govt. Code §§6250 et seq. ("CPRA") and the Ralph M. Brown Act, Cal. Govt. Code §§ 54950 *et. seq.* ("Brown Act") as well as certain data sharing requirements imposed by NERC and WECC. Any data sharing with NERC or WECC shall be made pursuant to the requirements imposed by NERC and WECC and any applicable data sharing or confidentiality agreements. Requests for information made directly to Transmission Provider pursuant to CPRA will be managed in a similar manner identified within Section 13.1.9. For purposes of the Brown Act, the Parties should adhere to the provisions of Section 13.1 to maintain confidentiality.

**13.2 Delegation of Responsibility**

Transmission Provider may use the services of subcontractors as it deems appropriate to perform its obligations under this LGIP. Transmission Provider shall remain primarily liable to Interconnection Customer for the performance of such subcontractors and compliance with its obligations of this LGIP. 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**

Transmission Provider shall provide a good faith estimate for each Interconnection Study and Interconnection Customer shall pay the actual costs of the Interconnection Studies. Any difference between the initial deposit and the actual cost of the applicable Interconnection Study shall be paid by or refunded, except as otherwise provided herein, to Interconnection Customer or offset against the cost of any future Interconnection Studies associated with the applicable Interconnection Request prior to the beginning of any such future Interconnection Studies. Any invoices for Interconnection Studies shall include a detailed and itemized accounting of the cost of each Interconnection Study. Interconnection Customer shall pay such undisputed costs in accordance with the requirements set forth in Sections 7, 8 and 10 as applicable. Transmission Provider shall not be obligated to perform or continue to perform any studies unless Interconnection Customer has paid all undisputed amounts in compliance herewith.

### **13.4 Third Parties Conducting Studies**

If (i) at the time of the signing of an Interconnection Study Agreement there is a disagreement as to the estimated time to complete an Interconnection Study, (ii) Interconnection Customer receives notice that Transmission Provider will not complete an Interconnection Study within the applicable timeframe for such Interconnection Study, or (iii) Interconnection Customer receives neither the Interconnection Study report nor a notice within the applicable timeframe required under this LGIP for the relevant Interconnection Study, then Interconnection Customer may require Transmission Provider to utilize a third party consultant reasonably acceptable to Interconnection Customer and Transmission Provider to perform such Interconnection Study under the direction of Transmission Provider. At other times, Transmission Provider may also utilize a third party consultant to perform such Interconnection Study, either in response to a general request of Interconnection Customer, or on its own volition.

In all cases, use of a third party consultant shall be in accordance with Article 26 of the LGIA (Subcontractors) and limited to situations where Transmission Provider determines that doing so will help maintain or accelerate the study process for Interconnection Customer's pending Interconnection Request and not interfere with Transmission Provider's progress on Interconnection Studies for other pending Interconnection Requests. In cases where Interconnection Customer requests use of a third party consultant to perform such Interconnection Study, Interconnection Customer and Transmission Provider shall negotiate all of the pertinent terms and conditions, including reimbursement arrangements and the estimated study completion date and study review deadline. Transmission Provider shall convey all data bases, study results and all other supporting documentation prepared to date with respect to the Interconnection Request as soon as practicable upon Interconnection Customer's request, subject to the confidentiality provisions in Section 13.1. In any case, such third party contract may be entered into with either Interconnection Customer or Transmission Provider at Transmission Provider's sole discretion. In the case of (iii), where Interconnection Customer never received the Interconnection Study report or notice that additional time is required, the Interconnection Customer maintains its right to initiate Dispute Resolution to recover the costs of such third party study. Such third party consultant shall be required to comply with this LGIP, Article 26 of the draft LGIA (Subcontractors), and the relevant Tariff procedures and protocols as would apply if Transmission Provider were to conduct the Interconnection Study, and further shall use the information provided to it solely for purposes of performing such services and for no other purposes.

Transmission Provider shall cooperate with such third party consultant and Interconnection Customer to complete and issue the Interconnection Study report in the shortest reasonable time.

## **13.5 Disputes**

### **13.5.1 Submission**

In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with this LGIP or the unexecuted LGIA, or their performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such Notice of Dispute shall not be deemed a waiver of the requirements of, nor construed as compliance with, California Government Code Section 910 *et seq.*, or any successor statute.

Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Party. 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 Party's receipt of the Notice of Dispute, such claim or dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the procedures set forth in Section 13.5.2. In the event the Parties do not agree to submit such claim or 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 LGIP or the LGIA.

### **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 two arbitrators so chosen shall within twenty (20) Calendar Days select a third arbitrator to chair the arbitration panel. In either 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



with 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"); 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 this LGIP or the LGIA and shall have no power to modify or change any provision of this LGIP or the LGIA in any manner. If the Parties have mutually agreed to binding arbitration, 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 or federal or state law.

### **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 and one half of the cost of the third arbitrator chosen; or (2) one half the cost of the single arbitrator jointly chosen by the Parties.

### **13.5.5 Governing Law and Venue**

This LGIP and the LGIA, and all agreements hereunder shall be interpreted, governed by, and enforced in accordance with the laws of the State of California, as if executed and to be performed wholly within the State of California.

Any dispute arising out of or relating to this LGIP and the LGIA shall be brought in a state or federal court in the County of Los Angeles in the State of California. Each Party irrevocably agrees to submit to the exclusive jurisdiction of such courts in the State of California and waive any defense of *forum non conveniens*.

#### **13.5.6 Non-Jurisdictional Entity**

Notwithstanding the form of this LGIP or the LGIA and any reference or inclusion of these documents within the Tariff, Transmission Provider is a non-public utility under section 201(f) of the Federal Power Act, 16 U.S.C. §824(f), and is subject to FERC jurisdiction only in limited circumstances pursuant to 16 U.S.C. §824j-1.

### **13.6 Municipal Tax Exempt Bonds**

#### **13.6.1 Transmission Providers That Own Facilities Financed by Tax Exempt and Tax Credit Bonds**

This provision is applicable to those facilities that Transmission Provider has financed with municipal tax-exempt bonds, Build America Bonds (BAB), Clean Renewable Energy Bonds (“CREBS” and “New CREBs”), Qualified Energy Conservation Bonds (QECCB) and other qualified tax credit bonds (collectively “Tax Exempt and Tax Credit Bonds”).

Notwithstanding any other provision of this LGIP or the LGIA, Transmission Provider shall not be required to provide Interconnection Service to Interconnection Customer pursuant to this LGIP or the LGIA if the provision of Transmission Service would jeopardize the tax-exempt status, volume cap, or any federal subsidy of any Tax Exempt or Tax Credit Bond used to finance Transmission Provider’s facilities that would be used in providing such Interconnection Service.

#### **13.6.2 Alternative Procedures for Requesting Interconnection Service**

If Transmission Provider determines that the provision of Interconnection Service requested by Interconnection Customer would jeopardize the tax-exempt status of any bond identified within Sections 13.6.1 used to finance its facilities that would be used in providing such Interconnection Service, it shall advise the Interconnection Customer within thirty (30) Calendar Days of receipt of the Interconnection Request.

Interconnection Customer thereafter may renew its request for interconnection using the process specified in Article 5 of the Transmission Provider's Tariff.

### **13.7 Conformance with NERC and WECC Reliability Requirements**

LADWP will require all Interconnection Customers to abide by the Applicable Reliability Standards and WECC Criteria including, but not limited to, the following:

1. Coordination of joint studies of new facilities and their impacts on the interconnected transmission systems.
2. Notification of new or modified facilities to others (those responsible for the reliability of the interconnected transmission systems) as soon as feasible.
3. Voltage level and MW and MVAR capacity or demand at point of connection.
4. Breaker duty and surge protection.
5. System protection and coordination.
6. Metering and telecommunications.
7. Grounding and safety issues.
8. Insulation and insulation coordination.
9. Voltage, Reactive Power, and power factor control.
10. Power quality impacts.
11. Equipment Ratings.
12. Synchronizing of facilities.
13. Maintenance coordination.
14. Operational issues (abnormal frequency and voltages).

15. Inspection requirements for existing or new facilities.
16. Communications and procedures during normal and emergency operating conditions.

Each of the items listed above will be addressed in LADWP's study(ies), as applicable to the specific interconnection request. More general requirements are identified within various sections of this LGIP.

**APPENDIX 1 to LGIP  
INTERCONNECTION REQUEST FOR A  
LARGE GENERATING FACILITY**

1. The undersigned Interconnection Customer submits this request to interconnect its Large Generating Facility with Transmission Provider's Transmission System pursuant to a Tariff.
  
2. This Interconnection Request is for (check one):  
 A proposed new Large Generating Facility.  
 An increase in the generating capacity or a Material Modification of an existing Generating Facility.
  
3. The type of interconnection service requested is Energy Resource Interconnection Service. Interconnection Customer acknowledges that no other type of Interconnection Service is offered by the Transmission Provider at this time.
  
4. Reserved.
  
5. Interconnection Customer provides the following information:
  - a. Address or location of the proposed new Large Generating Facility site (to the extent known) or, in the case of an existing Generating Facility, the name and specific location of the existing Generating Facility;
  
  - b. Maximum summer at \_\_\_\_ degrees C and winter at \_\_\_\_ degrees C megawatt electrical output of the proposed new Large Generating Facility or the amount of megawatt increase in the generating capacity of an existing Generating Facility;
  
  - c. General description of the equipment configuration;

- d. Anticipated In-Service Date for the proposed new Large Generating Facility (Day, Month, and Year);
  - e. Anticipated Commercial Operation Date (Day, Month, and Year);
  - f. Name, address, telephone number, and e-mail address of Interconnection Customer's contact person;
  - g. Approximate location of the proposed Point of Interconnection;
  - h. Interconnection Customer Data including the information requested in Attachment A of Appendix 1;
  - i. One-line diagram/configuration layout;
  - j. GIS site coordinates of the proposed Large Generating Facility; and
  - k. If the proposed Large Generating Facility is a wind or solar or hybrid facility, acknowledgement and compliance with the provisions set forth in Appendix 7.
6. Applicable deposit amount as specified in Section 3.1 of the LGIP.
7. Evidence of Site Control as specified in the LGIP: (check one)  
 Is attached to this Interconnection Request  
 Will be provided at a later date in accordance with this LGIP
8. This Interconnection Request shall be submitted to the representative indicated below:  
  
[To be completed by Transmission Provider]
9. Representative of Interconnection Customer to contact:

[To be completed by Interconnection Customer]

10. This Interconnection Request is submitted by:

Name of Interconnection Customer: \_\_\_\_\_

By (signature): \_\_\_\_\_

Name (type or print): \_\_\_\_\_

Title:  
\_\_\_\_\_

Date: \_\_\_\_\_

**Attachment A to Appendix 1  
Interconnection Request**

**LARGE GENERATING FACILITY DATA**

**UNIT RATINGS**

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

**COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA**

Inertia Constant, H = \_\_\_\_\_ kW sec/kVA  
 Moment-of-Inertia, WR<sup>2</sup> = \_\_\_\_\_ lb. ft.<sup>2</sup>

**NOTE: This Attachment A to Appendix 1 Interconnection Request must be completed for each generator that falls within this Interconnection Request if the collection system involves equipment with combined characteristics of two or more types of generators.**

**REACTANCE DATA (PER UNIT-RATED KVA)**

	<b>DIRECT AXIS</b>	<b>QUADRATURE AXIS</b>
Synchronous – saturated	$X_{dv}$ _____	$X_{qv}$ _____
Synchronous – unsaturated	$X_{di}$ _____	$X_{qi}$ _____
Transient – saturated	$X'_{dv}$ _____	$X'_{qv}$ _____
Transient – unsaturated	$X'_{di}$ _____	$X'_{qi}$ _____
Subtransient – saturated	$X''_{dv}$ _____	$X''_{qv}$ _____
Subtransient – unsaturated	$X''_{di}$ _____	$X''_{qi}$ _____
Negative Sequence – saturated	$X_{2v}$ _____	



Negative Sequence – unsaturated	$X_{2i}$	_____
Zero Sequence – saturated	$X_{0v}$	_____
Zero Sequence – unsaturated	$X_{0i}$	_____
Leakage Reactance	$X_{lm}$	_____

**FIELD TIME CONSTANT DATA (SEC)**

Open Circuit	$T'_{do}$	_____	$T'_{qo}$	_____
Three-Phase Short Circuit Transient	$T'_{d3}$	_____	$T'_q$	_____
Line to Line Short Circuit Transient	$T'_{d2}$	_____		
Line to Neutral Short Circuit Transient	$T'_{d1}$	_____		
Short Circuit Subtransient	$T''_d$	_____	$T''_q$	_____
Open Circuit Subtransient	$T''_{do}$	_____	$T''_{qo}$	_____

**ARMATURE TIME CONSTANT DATA (SEC)**

Three Phase Short Circuit	$T_{a3}$	_____
Line to Line Short Circuit	$T_{a2}$	_____
Line to Neutral Short Circuit	$T_{a1}$	_____

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

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

**ARMATURE WINDING RESISTANCE DATA (PER UNIT)**

Positive	$R_1$	_____
Negative	$R_2$	_____
Zero	$R_0$	_____

Rotor Short Time Thermal Capacity  $I_2^2 t =$  \_\_\_\_\_  
 Field Current at Rated kVA, Armature Voltage and PF = \_\_\_\_\_ amps  
 Field Current at Rated kVA and Armature Voltage, 0 PF = \_\_\_\_\_ amps  
 Three Phase Armature Winding Capacitance = \_\_\_\_\_ microfarad  
 Field Winding Resistance = \_\_\_\_\_ ohms \_\_\_\_\_ °C

Armature Winding Resistance (Per Phase) = \_\_\_\_\_ ohms \_\_\_\_\_ °C

### CURVES

Provide Saturation, Vee, Reactive Capability, Capacity Temperature Correction curves. Designate normal and emergency Hydrogen Pressure operating range for multiple curves.

### GENERATOR STEP-UP TRANSFORMER DATA RATINGS

Capacity                      Self-cooled/  
   Maximum Nameplate  
\_\_\_\_\_/\_\_\_\_\_ kVA

Voltage Ratio(Generator Side/System side/Tertiary)  
\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_ kV

Winding Connections (Low V/High V/Tertiary V (Delta or Wye))  
\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_

Fixed Taps Available  
\_\_\_\_\_

Present Tap Setting  
\_\_\_\_\_

### IMPEDANCE

Positive       $Z_1$  (on self-cooled kVA rating) \_\_\_\_\_ % \_\_\_\_\_ X/R

Zero               $Z_0$  (on self-cooled kVA rating) \_\_\_\_\_ % \_\_\_\_\_ X/R

## EXCITATION SYSTEM DATA

Identify appropriate IEEE model block diagram of excitation system and power system stabilizer (PSS) for computer representation in power system stability simulations and the corresponding excitation system and PSS constants for use in the model.

## GOVERNOR SYSTEM DATA

Identify appropriate IEEE model block diagram of governor system for computer representation in power system stability simulations and the corresponding governor system constants for use in the model.

## WIND GENERATORS

Number of generators to be interconnected pursuant to this Interconnection Request:

\_\_\_\_\_

Elevation: \_\_\_\_\_ Single Phase \_\_\_\_\_ Three Phase

Inverter manufacturer, model name, number, and version:

\_\_\_\_\_

List of adjustable setpoints for the protective equipment or software:

\_\_\_\_\_

Note: A completed General Electric Company Power Systems Load Flow (PSLF) data sheet or other compatible formats, such as IEEE and PTI power flow models, must be supplied with the Interconnection Request. If other data sheets are more appropriate to the proposed device, then they shall be provided and discussed at Scoping Meeting.

## INDUCTION GENERATORS

- (\*) Field Volts: \_\_\_\_\_
- (\*) Field Amperes: \_\_\_\_\_
- (\*) Motoring Power (kW): \_\_\_\_\_
- (\*) Neutral Grounding Resistor (If Applicable): \_\_\_\_\_
- (\*)  $I_2^2t$  or K (Heating Time Constant): \_\_\_\_\_
- (\*) Rotor Resistance: \_\_\_\_\_
- (\*) Stator Resistance: \_\_\_\_\_
- (\*) Stator Reactance: \_\_\_\_\_
- (\*) Rotor Reactance: \_\_\_\_\_
- (\*) Magnetizing Reactance: \_\_\_\_\_
- (\*) Short Circuit Reactance: \_\_\_\_\_
- (\*) Exciting Current: \_\_\_\_\_
- (\*) Temperature Rise: \_\_\_\_\_
- (\*) Frame Size: \_\_\_\_\_
- (\*) Design Letter: \_\_\_\_\_
- (\*) Reactive Power Required In Vars (No Load): \_\_\_\_\_
- (\*) Reactive Power Required In Vars (Full Load): \_\_\_\_\_
- (\*) Total Rotating Inertia, H: \_\_\_\_\_ Per Unit on KVA Base

Note: Please consult Transmission Provider prior to submitting the Interconnection Request to determine if the information designated by (\*) is required.

**APPENDIX 2 to LGIP  
INTERCONNECTION FEASIBILITY STUDY AGREEMENT**

**THIS AGREEMENT** ("Agreement") is made and entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_ by and between \_\_\_\_\_, a

\_\_\_\_\_ organized and existing under the laws of the State of \_\_\_\_\_, ("Interconnection Customer,") and the CITY OF LOS ANGELES acting by and through the DEPARTMENT OF WATER AND POWER, a department organized and existing under the Charter of the City of Los Angeles, a municipal corporation of the State of California ("Transmission Provider"). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

**RECITALS**

**WHEREAS**, Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated \_\_\_\_\_ ; and

**WHEREAS**, Interconnection Customer desires to interconnect the Large Generating Facility with the Transmission System; and

**WHEREAS**, Interconnection Customer has requested Transmission Provider to perform an Interconnection Feasibility Study to assess the feasibility of interconnecting the proposed Large Generating Facility to the Transmission System, and of any Affected Systems;

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

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's LGIP.

- 2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed an Interconnection Feasibility Study consistent with Section 6.0 of this LGIP in accordance with the Tariff.
- 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 Interconnection Customer in the Interconnection Request, as may be modified as the result of the Scoping Meeting. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Feasibility Study and as designated in accordance with Section 3.3.4 of the LGIP. If, after the designation of the Point of Interconnection pursuant to Section 3.3.4 of the LGIP, Interconnection Customer modifies its Interconnection Request pursuant to Section 4.4 and such modifications are permitted under the LGIP, the time to complete the Interconnection Feasibility Study may be extended.
- 5.0 The Interconnection Feasibility Study report shall provide the following information:
  - (i) preliminary identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
  - (ii) preliminary identification of any thermal overload or voltage limit violations resulting from the interconnection; and
  - (iii) preliminary description and non-bonding estimated cost of facilities required to interconnect the Large Generating Facility to the Transmission System and to address the identified short circuit and power flow issues.
- 6.0 Interconnection Customer's initial deposit of \$250,000 will be used towards the performance of the Interconnection Feasibility Study, in accordance with Section 3.3.1 of the LGIP. Transmission Provider's

good faith estimate for completing the Interconnection Feasibility Study is \$ \_\_\_\_\_.

Upon receipt of the executed Interconnection Feasibility Study Agreement from Interconnection Customer, Transmission Provider shall deduct the estimated cost of the study against Interconnection Customer's initial deposit and Interconnection Customer shall pay the actual costs of the Interconnection Feasibility Study from its initial deposit.

If there is any difference between Transmission Provider's good faith estimate and the actual cost of the study, the Transmission Provider will perform a true-up and shall be debit or credit Interconnection Customer's initial deposit, as appropriate.

#### 7.0 Miscellaneous Provisions.

7.1 Indemnification. The Parties shall at all times indemnify, defend, and hold harmless the other Parties, their respective officials (elected or appointed), Boards, officers, managers, agents, employees, assigns and successors in interest, from and against any and all suits, causes of action, claims, charges, damages, demands, judgments, civil fines, penalties, costs and expenses (including, without limitation, reasonable attorneys' fees and costs of experts and consultants), or losses of any kind or nature whatsoever including, without limitation, business interruption, impairment of contract, death, bodily injury or personal injury to any person, damage or destruction or loss of use to or of any property (financial, physical, or intellectual) by or to third parties (collectively, "Losses") arising by reason of or incident to or directly or indirectly related to the other Party's acts, errors or omissions, performance or non-performance or Breach of any of their obligations of or under this Agreement, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

7.2 Accuracy of Information. The Interconnection Customer represents and warrants that, to the best of its knowledge and in accordance with Good Utility Practice, the information that it provides to the Transmission Provider in connection with this Interconnection Feasibility Study Agreement and the

Interconnection Feasibility Study is accurate and complete. The Interconnection Customer acknowledges and accepts that it has a continuing obligation under this Interconnection Feasibility Study Agreement to promptly provide the Transmission Provider with any additional information required to update the information previously provided within no less than forty-eight (48) hours.

- 7.3 Disclaimer of Warranty; Limitation of Liability and Release. In performing or causing the Interconnection Feasibility Study to be performed, the Transmission Provider may rely on the information provided by the Interconnection Customer and third parties, which Transmission Provider may not have any control over the veracity or accuracy of such information. For data, information and other studies submitted by the Interconnection Customer or obtained from third parties or industry sources, TRANSMISSION PROVIDER HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, WHETHER ARISING BY OPERATION OF LAW, COURSE OF PERFORMANCE OR DEALING, CUSTOM, USAGE IN THE ELECTRIC INDUSTRY, OR OTHERWISE, INCLUDING WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

FURTHERMORE, TRANSMISSION PROVIDER SHALL NOT BE LIABLE TO INTERCONNECTION CUSTOMER UNDER ANY CIRCUMSTANCES, UNDER ANY THEORY OF LIABILITY AT LAW OR IN EQUITY, WHETHER SUCH LIABILITY IS KNOWN OR UNKNOWN AT THE TIME OF SIGNING THIS AGREEMENT, OR ANY TIME THEREAFTER, FOR ANY DEATH, BODILY INJURY, AND LOSS OF USE OR DAMAGE OR DESTRUCTION OF ANY PROPERTY OR ANY BUSINESS INTERRUPTION, TO A THIRD PARTY OR TO INTERCONNECTION CUSTOMER.

INTERCONNECTION CUSTOMER DOES SO HEREBY ACKNOWLEDGE THAT IT HAS READ AND



COMPREHENDED THE FOLLOWING PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 (OR ITS SUCCESSOR STATUTE) WHICH PROVIDES:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

BEING AWARE OF SAID CODE SECTION, INTERCONNECTION CUSTOMER HEREBY EXPRESSLY WAIVES ANY RIGHTS IT MAY HAVE THEREUNDER, AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT.

Upon execution of this Interconnection Feasibility Study Agreement, the Interconnection Customer acknowledges and accepts that it has not relied on any representations or warranties not specifically set forth herein.

- 7.4 Representations and Warranties. The Interconnection Customer represents and warrants that it is free to enter into this agreement and to perform each of the terms and covenants of it. The Interconnection Customer further represents and warrants that it is not restricted or prohibited contractually or otherwise, from entering into and performing this agreement, and that the execution and performance of this agreement by Interconnection Customer will not constitute a violation or breach of any other agreement between it and any other person or entity.
- 7.5 Force Majeure. If a Force Majeure Event prevents the Transmission Provider from fulfilling any obligations under this Interconnection Feasibility Study Agreement, Transmission Provider shall promptly notify the Interconnection Customer in

writing, and shall suspend or modify its performance under said agreement until the Force Majeure Event, to the extent that the effect of the Force Majeure Event cannot be mitigated by use of Good Utility Practice or commercially reasonable efforts. For purposes of this Interconnection Feasibility Study Agreement, a "Force Majeure Event" means any event or circumstance caused by reason of Force Majeure that prevents or delays Transmission Provider's performance under this Agreement which (a) is beyond the reasonable control of the Transmission Provider and (b) was unable to be prevented or provided against by exercising Good Utility Practice or commercially reasonable efforts. In the event that the Transmission Provider suspended its performance, it shall resume its obligations under this Interconnection Feasibility Study Agreement as soon as reasonably possible upon resolution of the Force Majeure Event. In the event that the Parties mutually agree to modify Transmission Provider's performance as a result of the Force Majeure Event, this Interconnection Feasibility Study Agreement shall be modified in accordance with Section 7.12 herein.

- 7.6 Assignment. This Interconnection Feasibility Study Agreement shall not be assigned, conveyed or transferred to any third party unless the provisions of Section 4.3 have been satisfied and Transmission Provider consents to such assignment, conveyance or transfer in writing.
- 7.7 Governing Law. This Agreement was made and entered into in the City of Los Angeles and shall be governed by, interpreted and enforced in accordance with the laws of the State of California and the City of Los Angeles, without regard to conflict of law principles.
- 7.8 Venue. All litigation arising out of, or relating to this Interconnection Feasibility Study Agreement, shall be brought in a court of competent jurisdiction located in Los Angeles County, in the State of California. The Parties irrevocably agree to submit to the exclusive jurisdiction of such courts in

the State of California and waive any defense of *forum non conveniens*.

- 7.9 Waivers. Any waiver, which such waiver must be in writing, at any time by any Party of its rights with respect to a default under this Interconnection Feasibility Study Agreement, or with respect to any other matter arising in connection with said agreement, shall not be deemed a waiver with respect to any subsequent default or other matter arising in connection therewith. Any delay, short of the statutory period of limitation in asserting or enforcing any right, shall not be deemed a waiver of such right.
- 7.10 Binding Effect. This Interconnection Feasibility Study Agreement shall be binding upon, and inure to the benefit of, the Parties and their respective successors or assigns, subject to Sections 4.3 of the LGIP.
- 7.11 Attorney Fees and Costs. Both Parties agree that in any action to enforce the terms of this agreement that each Party shall be responsible for its own attorney fees and costs.
- 7.12 Entire Agreement. This Interconnection Feasibility Study Agreement contains the entire agreement and understanding between the Parties, their agents, and employees as to the subject matter herein. This agreement may be amended only by a written document signed by both Parties.
- 8.0 Termination or Withdrawal. Any request to terminate or withdraw the Interconnection Feasibility Study, excepting any requests for a conversion from an Interconnection Feasibility Study to an Interconnection System Impact Study pursuant to Section 6.1.2 of the LGIP, shall be deemed as a withdrawal of the Interconnection Request in accordance with Section 3.6 of the LGIP.

**IN WITNESS WHEREOF**, each signatory hereto represents that (s)he has been appropriately authorized to enter into this Interconnection Feasibility Study

Agreement and 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.

DEPARTMENT OF WATER AND POWER OF  
THE CITY OF LOS ANGELES

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**[Insert name of Interconnection Customer]**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**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, which Transmission Provider will evaluate only if a re-designation is required, subject to Sections 3.3.4, 6.1 and 6.4 of the LGIP and, where applicable, Section 6.1.1:

[The above assumptions are to be completed by Interconnection Customer, and any other assumption that might be provided by Interconnection Customer and/or Transmission Provider should be listed in the space below]

A Feasibility Study will consist of a power analysis and a short-circuit analysis, each of which will be conducted and evaluated in accordance with the data provided in Appendices 1 and 2.

Power Flow Studies will be performed by using the General Electric (GE) PSLF program.

Short-Circuit Study will be conducted by using the Siemens PTI PSS®E.

**Note:** All information below shall be considered preliminary at this time as it is subject to detailed design and verification later

**1. One-line Diagram/Configuration Layout (to be provided by the Interconnection Customer)**

**2. Interconnection Transmission Line Description**

Interconnection Line	R1 p.u. on 100 MVA base	X1 p.u on 100 MVA base	B p.u on 100 MVA base	R0 p.u on 100 MVA base	X0 p.u. on 100 MVA base

Interconnection Line	Length (mi.)	Conductor Type & Size	Normal Rating (MVA)	Emergency Rating (MVA)

**3. Collector Substation Transformer(s)**

Transformer Bank	Transformer Rating (MVA)	R1 p.u. on 100 MVA base	X1 p.u. on 100 MVA base	R0 p.u. on 100 MVA base	X0 p.u. on 100 MVA base				
	Vnorm (from)	Vnorm (to)	Tap (from)	Tap (to)	Variable Tap				Tap (max)

--	--	--	--	--	--	--	--	--

**4. Collector System Cable Equivalent Impedance**

R1 p.u. on 100 MVA base	X1 p.u. on 100 MVA base	B p.u. on 100 MVA base	R0 p.u. on 100 MVA base	X0 p.u. on 100 MVA base	Rating (MVA)

**5. Plant-level Reactive Power Compensation**

Shunt Capacitor Power Compensation	Size (MVA)

Shunt Reactor Power Compensation	Size (MVA)

**6. Generator Step up Transformer Equivalent**

Transformer Bank	Transformer Rating (MVA)	R1 p.u. on 100 MVA base	X1 p.u. on 100 MVA base	R0 p.u. on 100 MVA base	X0 p.u. on 100 MVA base			
	Vnorm (from)	Vnorm (to)	Tap (from)	Tap (to)	Variable Tap	Tap (max)	Tap (min)	Tap Step Size


**7. Generator Equivalent**

Unit	Pmax MW	Pgen MW	Pmin MW	Qmax MVars	Qmin MVars	Regulated Bus

Unit	Unit Rating (MVA)	X''1 on GEN rated MVA base (in pu)	X''0 on GEN rated MVA base (in pu)	X''1 on 100 MVA base (in pu)	X''0 on 100 MVA base (in pu)	Generating Facility Auxiliary Load



**APPENDIX 3 to LGIP  
INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT**

**THIS AGREEMENT** ("Agreement") is made and entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_\_ by and between  
, a

\_\_\_\_\_ organized and existing under the laws of the State of \_\_\_\_\_, ("Interconnection Customer,") and the CITY OF LOS ANGELES acting by and through the DEPARTMENT OF WATER AND POWER, a department organized and existing under the Charter of the City of Los Angeles, a municipal corporation of the State of California ("Transmission Provider "). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

**RECITALS**

**WHEREAS**, Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated \_\_\_\_\_; and

**WHEREAS**, Interconnection Customer desires to interconnect the Large Generating Facility with the Transmission System;

**WHEREAS**, Transmission Provider has completed an Interconnection Feasibility Study (the "Feasibility Study") and provided the results of said study to Interconnection Customer (*This recital to be omitted if Transmission Provider does not require the Interconnection Feasibility Study*); and

**WHEREAS**, Interconnection Customer has requested Transmission Provider to perform an Interconnection System Impact Study to assess the impact of interconnecting the Large Generating Facility to the Transmission System, and of any Affected Systems;

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

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's LGIP.
- 2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed an Interconnection System Impact Study consistent with Section 7.0 of this LGIP in accordance with the Tariff.
- 3.0 The scope of the Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study and the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the LGIP. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Customer System Impact Study. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or any technical information provided therein, the time to complete the Interconnection System Impact Study may be extended.
- 5.0 The Interconnection System Impact Study report shall provide the following information:
  - (i) identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
  - (ii) identification of any thermal overload or voltage limit violations resulting from the interconnection;
  - (iii) identification of any instability or inadequately damped response to system disturbances resulting from the interconnection;

- (iv) identification of any magnitude and impacts of harmonics resulting from the interconnection;
- (v) if required by Transmission Provider, identification of any impacts of subsynchronous resonance (SSR) resulting from the interconnection; and
- (vi) description and non-binding, good faith estimated cost of facilities required to interconnect the Large Generating Facility to the Transmission System and to address the identified short circuit/faulty duty, instability, power flow, reactive margin and harmonics and/or sub-synchronous resonance (SSR) issues.

6.0 Any remaining balance from Interconnection Customer's initial deposit of \$250,000 shall be used towards the performance of the Interconnection System Impact Study. Transmission Provider's good faith estimate for the time of completion of the Interconnection System Impact Study is \_\_\_\_\_, 20\_\_\_\_, and its good faith cost estimate is \$ \_\_\_\_\_. If there is any difference between the Transmission Provider's good faith estimate and the actual cost of the study, the Transmission Provider will perform a true-up and shall debit or credit Interconnection Customer's initial deposit, as appropriate. If the remaining balance from the initial deposit is insufficient to cover all of the costs and expenses associated with the Interconnection System Impact Study including any re-study(ies), then the Transmission Provider shall invoice the Interconnection Customer for the good faith estimate and Interconnection Customer shall submit payment no later than fifteen (15) Calendar Days after it receives the invoice. If Transmission Provider does not receive payment for the estimated balance from Interconnection Customer within thirty (30) days, the Interconnection Customer shall have five (5) Business Days to cure non-payment; provided that, if Interconnection Customer fails to cure its non-payment within the five (5) Business Days, Interconnection Customer's Interconnection Request shall be treated by Transmission Provider as withdrawn in accordance with Section 3.6 of the LGIP

and Interconnection Customer shall be deemed in default of this LGIA pursuant to Article 17.

Upon receipt of the executed Interconnection System Impact Study Agreement from Interconnection Customer, Transmission Provider shall deduct the estimated cost of the study against the Interconnection Customer's initial deposit and Interconnection Customer shall pay the actual costs of the Interconnection System Impact Study from its initial deposit.

If there is any difference between Transmission Provider's good faith estimate and the actual cost of the study, the Transmission Provider will perform a true-up and shall debit or credit Interconnection Customer's initial deposit, as appropriate.

7.0 Miscellaneous Provisions.

7.1 Indemnification. The Parties shall at all times indemnify, defend, and hold harmless the other Parties, their respective officials (elected or appointed), Boards, officers, managers, agents, employees, assigns and successors in interest, from and against any and all suits, causes of action, claims, charges, damages, demands, judgments, civil fines, penalties, costs and expenses (including, without limitation, reasonable attorneys' fees and costs of experts and consultants), or losses of any kind or nature whatsoever including, without limitation, business interruption, impairment of contract, death, bodily injury or personal injury to any person, damage or destruction or loss of use to or of any property (financial, physical, or intellectual) by or to third parties (collectively, "Losses") arising by reason of or incident to or directly or indirectly related to the other Party's acts, errors or omissions, performance or non-performance or Breach of any of their obligations of or under this Agreement, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

7.2 Accuracy of Information. The Interconnection Customer represents and warrants that, to the best of its knowledge and in accordance with Good Utility Practice, the information that it provides to the Transmission Provider in connection with this Interconnection System Impact Study Agreement and the

Interconnection System Impact Study is accurate and complete. The Interconnection Customer acknowledges and accepts that it has a continuing obligation under this Interconnection System Impact Study Agreement to promptly provide the Transmission Provider with any additional information required to update the information previously provided within no less than forty-eight (48) hours.

- 7.3 Disclaimer of Warranty; Limitation of Liability and Release. In performing or causing the Interconnection System Impact Study to be performed, the Transmission Provider may rely on the information provided by the Interconnection Customer and third parties, which Transmission Provider may not have any control over the veracity or accuracy of such information. For data, information and other studies submitted by the Interconnection Customer or obtained from third parties or industry sources, TRANSMISSION PROVIDER HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, WHETHER ARISING BY OPERATION OF LAW, COURSE OF PERFORMANCE OR DEALING, CUSTOM, USAGE IN THE ELECTRIC INDUSTRY, OR OTHERWISE, INCLUDING WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

FURTHERMORE, TRANSMISSION PROVIDER SHALL NOT BE LIABLE TO INTERCONNECTION CUSTOMER UNDER ANY CIRCUMSTANCES, UNDER ANY THEORY OF LIABILITY AT LAW OR IN EQUITY, WHETHER SUCH LIABILITY IS KNOWN OR UNKNOWN AT THE TIME OF SIGNING THIS AGREEMENT, OR ANY TIME THEREAFTER, FOR ANY DEATH, BODILY INJURY, AND LOSS OF USE OR DAMAGE OR DESTRUCTION OF ANY PROPERTY OR ANY BUSINESS INTERRUPTION, TO A THIRD PARTY OR TO INTERCONNECTION CUSTOMER.

INTERCONNECTION CUSTOMER DOES SO HEREBY ACKNOWLEDGE THAT IT HAS READ AND

COMPREHENDED THE FOLLOWING PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 (OR ITS SUCCESSOR STATUTE) WHICH PROVIDES:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

BEING AWARE OF SAID CODE SECTION, INTERCONNECTION CUSTOMER HEREBY EXPRESSLY WAIVES ANY RIGHTS IT MAY HAVE THEREUNDER, AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT.

Upon execution of this Interconnection System Impact Study Agreement, the Interconnection Customer acknowledges and accepts that it has not relied on any representations or warranties not specifically set forth herein.

- 7.4 Representations and Warranties. The Interconnection Customer represents and warrants that it is free to enter into this Agreement and to perform each of the terms and covenants of it. The Interconnection Customer represents and warrants that it has undertaken or will cooperate with Transmission Provider in undertaking any environmental review required for its proposed project, including but not limited to the California Environmental Quality Act (CEQA) as amended and stated within Cal. Pub. Res. Code §§ 21000-21178 or any successor statute; provided however, Transmission Provider's undertaking and completion of the System Impact Study, or issuance of a system impact study report, shall neither be construed as a guarantee of an interconnection agreement nor an approval of the proposed project. The Interconnection

Customer further represents and warrants it is not restricted or prohibited contractually or otherwise, from entering into and performing this agreement, and that the execution and performance of this Agreement by Interconnection Customer will not constitute a violation or breach of any other agreement between it and any other person or entity.

- 7.5 Force Majeure. If a Force Majeure Event prevents the Transmission Provider from fulfilling any obligations under this Interconnection System Impact Study Agreement, Transmission Provider shall promptly notify the Interconnection Customer in writing, and shall suspend or modify its performance under said agreement until the Force Majeure Event, to the extent that the effect of the Force Majeure Event cannot be mitigated by use of Good Utility Practice or commercially reasonable efforts. For purposes of this Interconnection System Impact Study Agreement, a “Force Majeure Event” means any event or circumstance caused by reason of Force Majeure that prevents or delays Transmission Provider’s performance under this Agreement which (a) is beyond the reasonable control of the Transmission Provider and (b) was unable to be prevented or provided against by exercising Good Utility Practice or commercially reasonable efforts. In the event that the Transmission Provider suspended its performance, it shall resume its obligations under this Interconnection System Impact Study Agreement as soon as reasonably possible upon resolution of the Force Majeure Event. In the event that the Parties mutually agree to modify Transmission Provider’s performance as a result of the Force Majeure Event, this Interconnection System Impact Study Agreement shall be modified in accordance with Section 7.12 herein.
- 7.6 Assignment. This Interconnection System Impact Study Agreement shall not be assigned, conveyed or transferred to any third party unless the provisions of Section 4.3 of the LGIP have been satisfied and Transmission Provider consents to such assignment, conveyance or transfer in writing.

- 7.7 Governing Law. This Agreement was made and entered into in the City of Los Angeles and shall be governed by, interpreted and enforced in accordance with the laws of the State of California and the City of Los Angeles, without regard to conflict of law principles.
- 7.8 Venue. All litigation arising out of, or relating to this Interconnection System Impact Study Agreement, shall be brought in a court of competent jurisdiction located in Los Angeles County, in the State of California. The Parties irrevocably agree to submit to the exclusive jurisdiction of such courts in the State of California and waive any defense of *forum non conveniens*.
- 7.9 Waivers. Any waiver, which such waiver must be in writing, at any time by any Party of its rights with respect to a default under this Interconnection System Impact Study Agreement, or with respect to any other matter arising in connection with said agreement, shall not be deemed a waiver with respect to any subsequent default or other matter arising in connection therewith. Any delay, short of the statutory period of limitation in asserting or enforcing any right, shall not be deemed a waiver of such right.
- 7.10 Binding Effect. This Interconnection System Impact Study Agreement shall be binding upon, and inure to the benefit of, the Parties and their respective successors or assigns, subject to Sections 4.3 of the LGIP.
- 7.11 Attorney Fees and Costs. Both Parties agree that in any action to enforce the terms of this Agreement that each Party shall be responsible for its own attorney fees and costs.
- 7.12 Entire Agreement. This Interconnection System Impact Study Agreement contains the entire agreement and understanding between the Parties, their agents, and employees as to the subject matter herein. This Agreement may be amended only by a written document signed by both Parties.



8.0 Termination or Withdrawal. Any request to terminate or withdraw from a study, expressly excepting any request for an extension of time on the Interconnection System Impact Study not to exceed one year from the date that the Transmission Provider commenced the study, shall be deemed as a withdrawal of the Interconnection Request in accordance with Section 3.6 of the LGIP.

**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.

DEPARTMENT OF WATER AND POWER OF  
THE CITY OF LOS ANGELES

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date:

**[Insert name of Interconnection Customer]**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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

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

The Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study unless waived by Interconnection Customer<sup>1</sup>, subject to any permitted modifications in accordance with Section 4.4 of the LGIP and any revised Attachment A to Appendix 2 submitted by Interconnection Customer, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied:

Designation of alternative Point(s) of Interconnection and configuration which Transmission Provider will evaluate only if a re-designation is required, subject to Sections 3.3.4, 7.2 and 7.6 of the LGIP:

Dynamic data (to be provided by Interconnection Customer) for each generator, governor, exciter, power system stabilizer, wind turbine and/or solar photovoltaic facility must be supplied in GE PSLF format.

[The above assumptions are to be completed by Interconnection Customer, and any other assumptions that might be provided by Interconnection Customer and/or Transmission Provider should be listed in the space below]

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<sup>1</sup> If the Interconnection Feasibility Study has been waived by the Interconnection Customer in accordance with Section 6.1.1 of the LGIP, then the Interconnection System Impact System will be based upon the Scoping Meeting held on \_\_\_\_\_ and any assumptions contained within the Interconnection Customer's response to any and all data request(s) including the completed Attachment A to Appendices 1 and 2.

**APPENDIX 4 to LGIP  
INTERCONNECTION FACILITIES STUDY AGREEMENT**

**THIS AGREEMENT** ("Agreement") is made and entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_\_ by and between \_\_\_\_\_, a

\_\_\_\_\_ organized and existing under the laws of the State of \_\_\_\_\_, ("Interconnection Customer,") and the CITY OF LOS ANGELES acting by and through the DEPARTMENT OF WATER AND POWER, a department organized and existing under the Charter of the City of Los Angeles, a municipal corporation of the State of California ("Transmission Provider"). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

**RECITALS**

**WHEREAS**, Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated \_\_\_\_\_; and

**WHEREAS**, Interconnection Customer desires to interconnect the Large Generating Facility with the Transmission System;

**WHEREAS**, Transmission Provider has completed an Interconnection System Impact Study (the "System Impact Study") and provided the results of said study to Interconnection Customer; and

**WHEREAS**, Interconnection Customer has requested Transmission Provider to perform an Interconnection Facilities Study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Large Generating Facility to the Transmission System.



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

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's LGIP.
- 2.0 Interconnection Customer elects and Transmission Provider shall cause an Interconnection Facilities Study consistent with Section 8.0 of this LGIP to be performed in accordance with the Tariff.
- 3.0 The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A and the data provided in Attachment B to this Agreement.
- 4.0 The Interconnection Facilities Study report (i) shall provide a description, estimated cost of (consistent with Attachment A), schedule for required facilities to interconnect the Large Generating Facility to the Transmission System and (ii) shall address the short circuit/fault duty, instability, power flow, reactive margin and, if required by Transmission Provider, harmonics and subsynchronous resonance (SSR) issues identified in the Interconnection System Impact Study.
- 5.0 Any remaining balance from Interconnection Customer's initial deposit of \$250,000 shall be used towards the performance of the Interconnection Facilities Study. If the remaining balance from the initial deposit is insufficient to cover all of the costs and expenses associated with the Interconnection Facilities Study, then the Transmission Provider shall invoice the Interconnection Customer for the difference between the remaining balance and Transmission Provider's good faith estimate and Interconnection Customer shall submit payment within the time identified on the invoice. If Transmission Provider does not receive payment for the estimated balance from Interconnection Customer as required, the Interconnection Customer shall have the time prescribed in Section 3.6 to cure non-payment; provided that, if Interconnection Customer fails to cure its non-payment, Interconnection Customer's

Interconnection Request shall be treated by Transmission Provider as withdrawn in accordance with Section 3.6 of the LGIP and Interconnection Customer shall be deemed in default of this LGIA pursuant to Article 17. The time for completion of the Interconnection Facilities Study is specified in Attachment A.

Transmission Provider's good faith cost estimate is \$ \_\_\_\_\_. If the good faith estimate provided by the Transmission Provider is less than the actual costs of the Interconnection Facilities Study and Interconnection Customer's remaining balance of its initial deposit is insufficient to cover all estimated or actual costs, then the Transmission Provider shall invoice Interconnection Customer on a monthly basis for the work to be conducted on the Interconnection Facilities Study each month. Interconnection Customer shall pay invoiced amounts within thirty (30) Calendar Days of receipt of invoice, subject to the same terms and conditions set forth in the above paragraph of this Section 5.0.

Upon receipt of the executed Interconnection Facilities Study Agreement from Interconnection Customer, Transmission Provider shall deduct the estimated cost of the study against any remaining balance of Interconnection Customer's initial deposit and Interconnection Customer shall pay the actual costs of the Interconnection Facilities Study from its initial deposit; provided that, if the balance of Interconnection Customer's initial deposit is not sufficient to cover the actual costs of the study, Interconnection Customers shall pay for any study cost including re-study(ies) in accordance with the provisions of this Section 5.0.

6.0 Miscellaneous Provisions.

6.1 Indemnification. The Parties shall at all times indemnify, defend, and hold harmless the other Parties, their respective officials (elected or appointed), Boards, officers, managers, agents, employees, assigns and successors in interest, from and against any and all suits, causes of action, claims, charges, damages, demands, judgments, civil fines, penalties, costs and expenses (including, without limitation, reasonable attorneys' fees and costs of experts and consultants), or

losses of any kind or nature whatsoever including, without limitation, business interruption, impairment of contract, death, bodily injury or personal injury to any person, damage or destruction or loss of use to or of any property (financial, physical, or intellectual) by or to third parties (collectively, "Losses") arising by reason of or incident to or directly or indirectly related to the other Party's acts, errors or omissions, performance or non-performance or Breach of any of their obligations of or under this Agreement, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

6.2 Accuracy of Information. The Interconnection Customer represents and warrants that, to the best of its knowledge and in accordance with Good Utility Practice, the information that it provides to the Transmission Provider in connection with this Interconnection Facilities Study Agreement and the Interconnection Facilities Study is accurate and complete. The Interconnection Customer acknowledges and accepts that it has a continuing obligation under this Interconnection Facilities Study Agreement to promptly provide the Transmission Provider with any additional information required to update the information previously provided within no less than forty-eight (48) hours.

6.3 Disclaimer of Warranty; Limitation of Liability and Release. In performing or causing the Interconnection Facilities Study to be performed, the Transmission Provider may rely on the information provided by the Interconnection Customer and third parties, which Transmission Provider may not have any control over the veracity or accuracy of such information. For data, information and other studies submitted by the Interconnection Customer or obtained from third parties or industry sources, TRANSMISSION PROVIDER HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, WHETHER ARISING BY OPERATION OF LAW, COURSE OF PERFORMANCE OR DEALING, CUSTOM, USAGE IN THE ELECTRIC INDUSTRY, OR OTHERWISE, INCLUDING WITHOUT LIMITATION,

IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

FURTHERMORE, TRANSMISSION PROVIDER SHALL NOT BE LIABLE TO INTERCONNECTION CUSTOMER UNDER ANY CIRCUMSTANCES, UNDER ANY THEORY OF LIABILITY AT LAW OR IN EQUITY, WHETHER SUCH LIABILITY IS KNOWN OR UNKNOWN AT THE TIME OF SIGNING THIS AGREEMENT, OR ANY TIME THEREAFTER, FOR ANY DEATH, BODILY INJURY, AND LOSS OF USE OR DAMAGE OR DESTRUCTION OF ANY PROPERTY OR ANY BUSINESS INTERRUPTION, TO A THIRD PARTY OR TO INTERCONNECTION CUSTOMER.

INTERCONNECTION CUSTOMER DOES SO HEREBY ACKNOWLEDGE THAT IT HAS READ AND COMPREHENDED THE FOLLOWING PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 (OR ITS SUCCESSOR STATUTE) WHICH PROVIDES:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

BEING AWARE OF SAID CODE SECTION, INTERCONNECTION CUSTOMER HEREBY EXPRESSLY WAIVES ANY RIGHTS IT MAY HAVE THEREUNDER, AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT.

Upon execution of this Interconnection Facilities Study Agreement, the Interconnection Customer acknowledges and accepts that it has not relied on any representations or warranties not specifically set forth herein.



- 6.4 Representations and Warranties. The Interconnection Customer represents and warrants that it is free to enter into this Agreement and to perform each of the terms and covenants of it. The Interconnection Customer further represents and warrants that it is not restricted or prohibited contractually or otherwise, from entering into and performing this Agreement, and that the execution and performance of this Agreement by Interconnection Customer will not constitute a violation or breach of any other agreement between it and any other person or entity.
- 6.5 Force Majeure. If a Force Majeure Event prevents the Transmission Provider from fulfilling any obligations under this Interconnection Facilities Study Agreement, Transmission Provider shall promptly notify the Interconnection Customer in writing, and shall suspend or modify its performance under said agreement until the Force Majeure Event, to the extent that the effect of the Force Majeure Event cannot be mitigated by use of Good Utility Practice or commercially reasonable efforts. For purposes of this Interconnection Facilities Study Agreement, a “Force Majeure Event” means any event or circumstance caused by reason of Force Majeure that prevents or delays Transmission Provider’s performance under this Agreement which (a) is beyond the reasonable control of the Transmission Provider and (b) was unable to be prevented or provided against by exercising Good Utility Practice or commercially reasonable efforts. In the event that the Transmission Provider suspended its performance, it shall resume its obligations under this Interconnection Facilities Study Agreement as soon as reasonably possible upon resolution of the Force Majeure Event. In the event that the Parties mutually agree to modify Transmission Provider’s performance as a result of the Force Majeure Event, this Interconnection Facilities Study Agreement shall be modified in accordance with Section 6.12 herein.
- 6.6 Assignment. This Interconnection Facilities Study Agreement shall not be assigned, conveyed or transferred to any third party

unless the provisions of Section 4.3 have been satisfied and Transmission Provider consents to such assignment, conveyance or transfer in writing.

- 6.7 Governing Law. This Agreement was made and entered into in the City of Los Angeles and shall be governed by, interpreted and enforced in accordance with the laws of the State of California and the City of Los Angeles, without regard to conflict of law principles.
- 6.8 Venue. All litigation arising out of, or relating to this Interconnection Facilities Study Agreement, shall be brought in a court of competent jurisdiction located in Los Angeles County, in the State of California. The Parties irrevocably agree to submit to the exclusive jurisdiction of such courts in the State of California and waive any defense of *forum non conveniens*.
- 6.9 Waivers. Any waiver, which such waiver must be in writing, at any time by any Party of its rights with respect to a default under this Interconnection Facilities Study Agreement, or with respect to any other matter arising in connection with said agreement, shall not be deemed a waiver with respect to any subsequent default or other matter arising in connection therewith. Any delay, short of the statutory period of limitation in asserting or enforcing any right, shall not be deemed a waiver of such right.
- 6.10 Binding Effect. This Interconnection Facilities Study Agreement shall be binding upon, and inure to the benefit of, the Parties and their respective successors or assigns, subject to Sections 4.3 of the LGIP.
- 6.11 Attorney Fees and Costs. Both Parties agree that in any action to enforce the terms of this agreement that each Party shall be responsible for its own attorney fees and costs.

6.12 Entire Agreement. This Interconnection Facilities Study Agreement contains the entire agreement and understanding between the Parties, their agents, and employees as to the subject matter herein. This agreement may be amended only by a written document signed by both Parties.

7.0 Termination or Withdrawal. Any request to terminate or withdraw from a study, expressly excepting any request for an extension of time on the Interconnection Facilities Study not to exceed one year from the date that the Transmission Provider commenced the study, shall be deemed as a withdrawal of the Interconnection Request in accordance with Section 3.6 of the LGIP.

**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.

DEPARTMENT OF WATER AND POWER OF  
THE CITY OF LOS ANGELES

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date:

**[Insert name of Interconnection Customer]**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



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

**INTERCONNECTION CUSTOMER SCHEDULE ELECTION FOR  
CONDUCTING THE INTERCONNECTION FACILITIES STUDY**

Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within the following number of days after of receipt of an executed copy of this Interconnection Facilities Study Agreement:

- one hundred twenty (120) Calendar Days with no more than a +/- 20 percent cost estimate contained in the report, or
- one hundred eighty (180) Calendar Days with no more than a +/- 10 percent cost estimate contained in the report.

Notwithstanding any margin of error identified above for any cost estimate, Interconnection Customer shall be responsible for any and all cost related or connected to the Interconnection Request, Transmission Provider's Interconnection Facilities and necessary upgrades, and Interconnection Customer's Interconnection Facilities.

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

**DATA FORM TO BE PROVIDED BY INTERCONNECTION CUSTOMER  
WITH THE  
INTERCONNECTION FACILITIES STUDY AGREEMENT**

Provide location plan and simplified one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, transmission circuits, etc.

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

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

On the one line diagram indicate the location of auxiliary power. (Minimum load on CT/PT) Amps

Will an alternate source of auxiliary power be available during CT/PT maintenance?

Yes     No

Will a transfer bus on the generation side of the metering require that each meter set be designed for the total plant generation?     Yes     No (Please indicate on one line diagram).

What type of control system or PLC will be located at Interconnection Customer's Large Generating Facility?

---

What protocol does the control system or PLC use?

---

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

Physical dimensions of the proposed interconnection station:

---

Bus length from generation to interconnection station:

---

Line length from interconnection station to Transmission Provider's transmission line.

---

Tower number observed in the field. (Painted on tower leg)\*

---

Number of third party easements required for transmission lines\*:

---

\* To be completed in coordination with Transmission Provider.

Is the Large Generating Facility in the Transmission Provider's service area?

Yes  No Local provider:

---

Please provide proposed schedule dates:

Begin Construction Date: \_\_\_\_\_

Generator step-up transformer  
receives back feed power Date: \_\_\_\_\_

Generation Testing Date: \_\_\_\_\_

Commercial Operation Date: \_\_\_\_\_

**APPENDIX 5 to LGIP  
OPTIONAL INTERCONNECTION STUDY AGREEMENT**

**THIS AGREEMENT** ("Agreement") is made and entered into this day of \_\_\_\_\_, 20\_\_ by and between

, a

\_\_\_\_\_ organized and existing under the laws of the State of \_\_\_\_\_, ("Interconnection Customer,") and the CITY OF LOS ANGELES acting by and through the DEPARTMENT OF WATER AND POWER, a department organized and existing under the Charter of the City of Los Angeles, a municipal corporation of the State of California ("Transmission Provider"). Interconnection Customer and Transmission Provider each may be referred to as a "Party," or collectively as the "Parties."

### **RECITALS**

**WHEREAS**, Interconnection Customer is proposing to develop a Large Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request submitted by Interconnection Customer dated \_\_\_\_\_;

**WHEREAS**, Interconnection Customer is proposing to establish an interconnection with the Transmission System; and

**WHEREAS**, Interconnection Customer has submitted to Transmission Provider an Interconnection Request; and

**WHEREAS**, on or after the date when Interconnection Customer receives the Interconnection System Impact Study results, Interconnection Customer has further requested that Transmission Provider prepare an Optional Interconnection 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 Transmission Provider's LGIP.



- 2.0 Interconnection Customer elects and Transmission Provider shall cause an Optional Interconnection Study consistent with Section 10.0 of this LGIP to be performed in accordance with the Tariff.
- 3.0 The scope of the Optional Interconnection Study shall be subject to the assumptions provided by Interconnection Customer to be attached to this Agreement as Attachment A.
- 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 Interconnection Customer in Attachment A to this Agreement. The Optional Interconnection Study will identify Transmission Provider's Interconnection Facilities and the Network Upgrades, and the estimated cost thereof that may be required to provide Transmission Service or interconnection service based upon the assumptions specified by Interconnection Customer in its Attachment A.
- 6.0 Interconnection Customer shall provide a deposit of \$10,000 for the performance of the Optional Interconnection Study. Transmission Provider's good faith estimate for the time of completion of the Optional Interconnection Study is \_\_\_\_\_, 20\_\_\_\_\_.

Upon receipt of the Optional Interconnection Study, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Optional Study.

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

7.0 Miscellaneous Provisions.

7.1 Indemnification. The Interconnection Customer shall at all times indemnify, defend, and hold harmless the Transmission Provider, its officials (elected or appointed), Boards, officers,

managers, agents, employees, assigns and successors in interest, from and against any and all suits, causes of action, claims, charges, damages, demands, judgments, civil fines, penalties, costs and expenses (including, without limitation, reasonable attorneys' fees and costs of experts and consultants), or losses of any kind or nature whatsoever including, without limitation, business interruption, death, bodily injury or personal injury to any person, damage or destruction or loss of use to or of any property (financial, physical, or intellectual) by or to third parties (collectively "Losses") arising by reason of or incident to or directly or indirectly related to Transmission Provider performing or causing to be performed the Optional Interconnection Study in whole or in part under this Agreement on behalf of the Interconnection Customer, except in cases of gross negligence or intentional wrongdoing by the Transmission Provider.

- 7.2 Accuracy of Information. The Interconnection Customer represents and warrants that, to the best of its knowledge and in accordance with Good Utility Practice, the information that it provides to the Transmission Provider in connection with this Optional Interconnection Study Agreement and the Interconnection System Impact Study is accurate and complete. The Interconnection Customer acknowledges and accepts that it has a continuing obligation under this Interconnection System Impact Study Agreement to promptly provide the Transmission Provider with any additional information required to update the information previously provided within no less than forty-eight (48) hours.
- 7.3 Disclaimer of Warranty; Limitation of Liability and Release. In performing or causing the Optional Interconnection Study to be performed, the Transmission Provider may rely on the information provided by the Interconnection Customer and third parties, which Transmission Provider may not have any control over the veracity or accuracy of such information. For data, information and other studies submitted by the Interconnection Customer or obtained from third parties or

industry sources, TRANSMISSION PROVIDER HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, WHETHER ARISING BY OPERATION OF LAW, COURSE OF PERFORMANCE OR DEALING, CUSTOM, USAGE IN THE ELECTRIC INDUSTRY, OR OTHERWISE, INCLUDING WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

FURTHERMORE, TRANSMISSION PROVIDER SHALL NOT BE LIABLE TO INTERCONNECTION CUSTOMER UNDER ANY CIRCUMSTANCES, UNDER ANY THEORY OF LIABILITY AT LAW OR IN EQUITY, WHETHER SUCH LIABILITY IS KNOWN OR UNKNOWN AT THE TIME OF SIGNING THIS AGREEMENT, OR ANY TIME THEREAFTER, FOR ANY DEATH, BODILY INJURY, AND LOSS OF USE OR DAMAGE OR DESTRUCTION OF ANY PROPERTY OR ANY BUSINESS INTERRUPTION, TO A THIRD PARTY OR TO INTERCONNECTION CUSTOMER.

INTERCONNECTION CUSTOMER DOES SO HEREBY ACKNOWLEDGE THAT IT HAS READ AND COMPREHENDED THE FOLLOWING PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 (OR ITS SUCCESSOR STATUTE) WHICH PROVIDES:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED THIS SETTLEMENT WITH DEBTOR.”

BEING AWARE OF SAID CODE SECTION, INTERCONNECTION CUSTOMER HEREBY EXPRESSLY WAIVES ANY RIGHTS IT MAY HAVE THEREUNDER, AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT.

Upon execution of this Optional Interconnection Study Agreement, the Interconnection Customer acknowledges and accepts that it has not relied on any representations or warranties not specifically set forth herein.

- 7.4 Representations and Warranties. The Interconnection Customer represents and warrants that it is free to enter into this Agreement and to perform each of the terms and covenants of it. The Interconnection Customer further represents and warrants that it is not restricted or prohibited contractually or otherwise, from entering into and performing this Agreement, and that the execution and performance of this Agreement by Interconnection Customer will not constitute a violation or breach of any other agreement between it and any other person or entity.
- 7.5 Force Majeure. If a Force Majeure Event prevents the Transmission Provider from fulfilling any obligations under this Optional Interconnection Study Agreement, Transmission Provider shall promptly notify the Interconnection Customer in writing, and shall suspend or modify its performance under said agreement until the Force Majeure Event, to the extent that the effect of the Force Majeure Event cannot be mitigated by use of Good Utility Practice or commercially reasonable efforts. For purposes of this Optional Interconnection Study Agreement, a "Force Majeure Event" means any event or circumstance caused by reason of Force Majeure that prevents or delays Transmission Provider's performance under this Agreement which (a) is beyond the reasonable control of the Transmission Provider and (b) was unable to be prevented or provided against by exercising Good Utility Practice or commercially reasonable efforts. In the event that the Transmission Provider suspended its performance, it shall resume its obligations under this Optional Interconnection Study Agreement as soon as reasonably possible upon resolution of the Force Majeure Event. In the event that the Parties mutually agree to modify Transmission Provider's performance as a result of the Force

Majeure Event, this Optional Interconnection Study Agreement shall be modified in accordance with Section 7.12 herein.

- 7.6 Assignment. This Optional Interconnection Study Agreement shall not be assigned, conveyed or transferred to any third party unless the provisions of Section 4.3 of the LGIP have been satisfied and Transmission Provider consents to such assignment, conveyance or transfer in writing.
- 7.7 Governing Law. This Agreement was made and entered into in the City of Los Angeles and shall be governed by, interpreted and enforced in accordance with the laws of the State of California and the City of Los Angeles, without regard to conflict of law principles.
- 7.8 Venue. All litigation arising out of, or relating to this Optional Interconnection Study Agreement, shall be brought in a court of competent jurisdiction located in Los Angeles County, in the State of California. The Parties irrevocably agree to submit to the exclusive jurisdiction of such courts in the State of California and waive any defense of *forum non conveniens*.
- 7.9 Waivers. Any waiver, which such waiver must be in writing, at any time by any Party of its rights with respect to a default under this Optional Interconnection Study Agreement, or with respect to any other matter arising in connection with said agreement, shall not be deemed a waiver with respect to any subsequent default or other matter arising in connection therewith. Any delay, short of the statutory period of limitation in asserting or enforcing any right, shall not be deemed a waiver of such right.
- 7.10 Binding Effect. This Optional Interconnection Study Agreement shall be binding upon, and inure to the benefit of, the Parties and their respective successors or assigns, subject to Sections 4.3 of the LGIP.

7.11 Attorney Fees and Costs. Both Parties agree that in any action to enforce the terms of this Agreement that each Party shall be responsible for its own attorney fees and costs.

7.12 Entire Agreement. This Optional Interconnection Study Agreement contains the entire agreement and understanding between the Parties, their agents, and employees as to the subject matter herein. This Agreement may be amended only by a written document signed by both Parties.

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**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.

**DEPARTMENT OF WATER AND POWER OF  
THE CITY OF LOS ANGELES**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date:

**[Insert name of Interconnection Customer]**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**APPENDIX 6 TO LGIP**

**FORM LARGE GENERATOR INTERCONNECTION AGREEMENT**



**Appendix 6 to the Large Generator Interconnection Procedures**

**LARGE GENERATOR  
INTERCONNECTION AGREEMENT (LGIA)**

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Appendix G – Requirements of Generators Relying on Newer Technologies



## LARGE GENERATOR INTERCONNECTION AGREEMENT

**THIS LARGE GENERATOR INTERCONNECTION AGREEMENT** ("Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between \_\_\_\_\_, a \_\_\_\_\_ organized and existing under the laws of the State/Commonwealth of \_\_\_\_\_ ("Interconnection Customer" with a Large Generating Facility), and the Department of Water and Power of the City of Los Angeles, a department organized and existing under the Charter of the City of Los Angeles, a municipal corporation of the State of California ("Transmission Provider and/or Transmission Owner"). Interconnection Customer and Transmission Provider each may be referred to as a "Party" or collectively as the "Parties."

### Recitals

**WHEREAS**, Transmission Provider operates the Transmission System; and

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

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

When used in this Large Generator Interconnection Agreement, terms with initial capitalization that are not defined in Article 1 shall have the meanings specified in the Article in which they are used or the Open Access Transmission Tariff (Tariff).

## Article 1. Definitions

In addition to the other terms defined within this LGIA, the following terms, whether in the singular or plural, when used herein and in the appendices attached to this Large Generator Interconnection Agreement and initially capitalized, shall have the meanings specified below:

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

**Affected System** shall mean an electric system other than the Transmission Provider's Transmission System that may be affected by the proposed interconnection.

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

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

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

**Applicable Laws and Regulations** shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority.

**Applicable Reliability Council** shall mean the reliability council applicable to the Transmission System to which the Generating Facility is directly interconnected.

**Applicable Reliability Standards** shall mean the standards, requirements, criteria and guidelines of NERC, the Applicable Reliability Council, and the Balancing Authority Area of the Transmission System to which the Generating Facility is directly interconnected.

**Balancing Authority** shall mean the responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a Balancing Authority Area, and supports Interconnection frequency in real time.

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

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

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

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

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

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

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

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

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

**Confidential Information** shall mean any confidential, proprietary or trade secret information of a plan, specification, pattern, procedure, design, device, list, concept, policy or compilation relating to the present or planned business of a Party, including any competitively sensitive, commercial or financial information, which is designated as confidential by the Party supplying the information, whether conveyed orally, electronically, in writing, through inspection, or otherwise.

**Critical Energy Infrastructure Information or CEII** shall mean specific engineering, vulnerability, or detailed design information about proposed or existing Critical Infrastructure that: (i) relates details about the production, generation, transportation, transmission, or distribution of energy; (ii) could be useful to a person in planning an attack on Critical Infrastructure; (iii) is exempt from mandatory disclosure under the Freedom of Information Act, 5 U.S.C. § 552; and (iv) does not simply give the general location of the Critical Infrastructure.

**Critical Infrastructure** shall mean existing and proposed systems and assets, whether physical or virtual, the incapacity or destruction of which would negatively affect security, economic security, public health or safety, or any combination of those matters.

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

**Dispute Resolution** shall mean the procedure for resolution of a dispute between the Parties in which they will first attempt to resolve the dispute on an informal basis, as set forth in Article 27 herein.

**Distribution System** shall mean the Transmission Provider's facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which distribution systems operate differ among areas.

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

**Effective Date** shall mean the date on which the Large Generator Interconnection Agreement becomes effective upon execution by the Parties.

**Emergency Condition** shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of,

reliability of, or damage to Transmission Provider's Transmission System, Transmission Provider's Interconnection Facilities or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or Interconnection Customer's Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions; provided, that Interconnection Customer is not obligated by the Large Generator Interconnection Agreement to possess black start capability.

**Energy Resource Interconnection Service** shall mean an Interconnection Service that allows the Interconnection Customer to connect its Generating Facility to the Transmission Provider's Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or non-firm capacity of the Transmission Provider's Transmission System on an as available basis. Energy Resource Interconnection Service in and of itself does not convey Transmission Service.

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

**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, or any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

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

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

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

**Governmental Authority** shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include Interconnection Customer or any Affiliate thereof.

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

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

**In-Service Date** shall mean the date upon which the Interconnection Customer reasonably expects it will be ready to begin use of the Transmission Provider's Interconnection Facilities to obtain back feed power.

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

**Interconnection Customer's Interconnection Facilities (or ICIF)** shall mean all facilities and equipment, as identified in Appendix A of the Large Generator Interconnection Agreement, that are located between the Generating Facility and the Point of Change of Ownership, including any modification, addition, or upgrades to such facilities and equipment necessary to physically and electrically interconnect the Generating Facility to the Transmission Provider's Transmission System. Interconnection Customer's Interconnection Facilities are sole use facilities.

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

**Interconnection Facilities Study** shall mean a study conducted by the Transmission Provider or a third party consultant for the Interconnection Customer to determine a list of facilities (including Transmission Provider's Interconnection Facilities and Network Upgrades as identified in the Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission Provider's Transmission System. The scope of the study is defined in Section 8 of the Large Generator Interconnection Procedures.

**Interconnection Facilities Study Agreement** shall mean the form of agreement contained in Appendix 4 of the Large Generator 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 Generating Facility to the Transmission Provider's Transmission System, the scope of which is described in Section 6 of the Large Generator Interconnection Procedures.

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

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

**Interconnection Service** shall mean the service provided by the Transmission Provider associated with interconnecting the Interconnection Customer's Generating Facility to the Transmission Provider's Transmission System and enabling it to receive electric energy and capacity from the Generating Facility at the Point of Interconnection, pursuant to the terms of the Large Generator Interconnection Agreement and, subject to the Transmission Provider's Tariff.

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

**Interconnection System Impact Study** shall mean an engineering study that evaluates the impact of the proposed interconnection on the safety and reliability of Transmission Provider's Transmission System and, if applicable, an Affected System. The study shall identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications, focusing on the Adverse System Impacts identified in the Interconnection Feasibility Study, or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in the Large Generator Interconnection Procedures.

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

**IRS** shall mean the Internal Revenue Service.

**Joint Operating Committee** shall be a group made up of representatives from Interconnection Customer and the Transmission Provider to coordinate operating and technical considerations of Interconnection Service.



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

**Large Generator Interconnection Agreement (LGIA)** shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Large Generating Facility that is included in the Transmission Provider's Tariff.

**Large Generator Interconnection Procedures (LGIP)** shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Large Generating Facility that are included in the Transmission Provider's Tariff.

**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, expert witness and consultant fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's performance, or non-performance of its obligations under the Large Generator Interconnection Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying Party.

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

**Metering Equipment** shall mean all metering equipment installed or to be installed at the Generating Facility pursuant to the 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.

**NERC** shall mean the North American Electric Reliability Corporation or the successor electric reliability organization.

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

**Network Resource Interconnection Service** shall mean an Interconnection Service that allows the Interconnection Customer to integrate its Large Generating

Facility with the Transmission Provider's Transmission System in a manner comparable to that in which the Transmission Provider integrates its generating facilities to serve native load customers. Network Resource Interconnection Service in and of itself does not convey Transmission Service.

**Network Upgrades** shall mean the additions, modifications, and upgrades to the Transmission Provider's Transmission System required at or beyond the point at which the Interconnection Facilities connect to the Transmission Provider's Transmission System to accommodate the interconnection of the Large Generating Facility to the Transmission Provider's Transmission System.

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

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

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

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

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

**Point of Delivery** shall have the meaning ascribed in the Tariff.

**Point of Interconnection** shall mean the point, as set forth in Appendix A to the Large Generator Interconnection Agreement, where the Interconnection Facilities connect to the Transmission Provider's Transmission System.

**Point of Receipt** shall have the meaning ascribed in the Tariff.

**Queue Position** shall mean the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, that is established based upon the

date and time of receipt of the valid Interconnection Request by the Transmission Provider. For purposes of this definition, Transmission Provider shall consider an Interconnection Request to be valid on the date that the Interconnection Customer has satisfied all of the requirements of Section 3.3.1 of the Large Generator Interconnection Procedures.

**Reasonable Efforts** shall mean, with respect to an action required to be attempted or taken by a Party under the 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 Interconnection Customer and Transmission Provider conducted for the purpose of discussing alternative interconnection options, to exchange information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, to analyze such information, and to determine the potential feasible Points of Interconnection.

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

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

**Stand Alone Network Upgrades** shall mean Network Upgrades that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. Both the Transmission Provider and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Large Generator Interconnection Agreement.

**Standards of Conduct** shall mean those standards implemented by Transmission Provider that govern its transmission functions as well as communication of certain information.

**System Protection Facilities** shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) the Transmission

Provider's Transmission System from faults or other electrical disturbances occurring at the Generating Facility and (2) the Generating Facility from faults or other electrical system disturbances occurring on the Transmission Provider's Transmission System or on other delivery systems or other generating systems to which the Transmission Provider's Transmission System is directly connected.

**Tariff** shall mean the Transmission Provider's Tariff through which open access Transmission Service (also known as the Open Access Transmission Tariff or OATT) and Interconnection Service are offered, as amended or supplemented from time to time, or any successor tariff.

**Transmission Operator** shall mean the entity that operates or directs the operations of the Transmission System.

**Transmission Owner** shall mean an entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of Interconnection and may be a Party to the Large Generator Interconnection Agreement to the extent necessary.

**Transmission Provider** shall mean the transmitting utility (or its designated agent) that owns, controls, or operates facilities used for the transmission of electric energy in interstate commerce and provides Transmission Service under the Tariff. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from the Transmission Provider.

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

**Transmission Service** shall mean those services provided to the Transmission Customer under the Transmission Provider's Tariff to move energy from a Point of Receipt to a Point of Delivery.

**Transmission System** shall mean the alternating current transmission facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide Transmission Service under the Tariff.

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

**WECC** shall mean the Western Electricity Coordinating Council or its successor.

**WECC Criteria** shall mean those approved regional standards and Applicable Reliability Standards established and implemented by WECC, as such criteria may change from time to time.

## **Article 2. Effective Date, Term, and Termination**

**2.1 Effective Date.** Subject to Article 5.17.10 clause (ii), this LGIA shall become effective upon execution by the Parties.

**2.2 Term of Agreement.** This LGIA shall remain in effect: (i) for a period of ten (10) years from the Effective Date and shall be automatically renewed for each successive one-year period thereafter, unless terminated by Transmission Provider or Interconnection Customer pursuant to Article 2.3; or (ii) until the Generating Facility permanently ceases Commercial Operation, subject to Articles 2.4, 2.5 and 2.6.

### **2.3 Termination Procedures.**

**2.3.1 Written Notice.** This LGIA may be terminated by Interconnection Customer after giving Transmission Provider ninety (90) Calendar Days advance written notice. This LGIA may be terminated by Transmission Provider if the Generating Facility permanently ceases Commercial Operation.

**2.3.2 Default.** Either Party, as a non-Breaching Party, may terminate this LGIA if the other, as a Breaching Party, fails to cure a Breach in accordance with Article 17.1.2.

**2.3.3** Notwithstanding Articles 2.3.1 and 2.3.2, no termination shall supersede any rights and obligations set forth in Articles 2.6 and 17.1.2; the Parties shall comply with all Applicable Laws and Regulations and satisfy all outstanding obligations incurred prior to and through the noticed date of termination.

**2.4 Termination Costs.** Within sixty (60) Calendar Day prior to the termination date of this LGIA or as soon as practical, Transmission Provider shall determine each Party's total cost responsibility for terminating and disconnecting the Generating Facility from Transmission Provider's Interconnection Facilities and shall invoice Interconnection Customer for its proportion of costs arising from, related to or resulting from the termination of this LGIA and disconnection of the Interconnection Customer's Interconnection Facilities from Transmission Provider's Interconnection Facilities (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment or charges assessed by the other Party). The Parties shall use commercially Reasonable Efforts to mitigate the costs, damages, penalties and charges arising as a consequence of termination. Upon termination of this LGIA:

**2.4.1** With respect to any portion of Transmission Provider's Interconnection Facilities that have not yet been constructed or installed, Transmission Provider shall to the extent possible and with Interconnection Customer's authorization cancel any pending orders of, or return, any materials or equipment for, or terminate any contracts for construction of, such facilities and Interconnection Customer shall be liable for any cost or penalty associated with such cancellation, termination or return; provided, however, in the event Interconnection Customer elects not to authorize or delays authorization of such cancellation, return or termination, Interconnection Customer shall assume all payment obligations with respect to such materials, equipment, and contracts, and Transmission Provider shall deliver such material and equipment to Interconnection Customer, and, if necessary, Transmission Provider shall assign and Interconnection Customer shall assume liability for such contracts, at Interconnection Customer's expense including any cost or penalties associated with changes in location and delivery terms. To the extent that Interconnection Customer has already paid Transmission Provider for any or all such costs of materials or equipment not taken by Interconnection Customer, Transmission Provider shall promptly refund such amounts to Interconnection Customer, less any costs, including penalties incurred by Transmission Provider to cancel any pending orders of or return of such materials, equipment, or contracts.

Notwithstanding any provision of this Article 2.4, Interconnection Customer shall be responsible for all costs and penalties incurred in association with Interconnection Customer's Interconnection Request and Interconnection Service and termination of Interconnection Service and disconnection of facilities, including any cancellation costs and/or penalties

relating to orders or contracts for Interconnection Facilities and equipment, and other expenses including any Network Upgrades for which Transmission Provider has incurred expenses and has not been reimbursed by Interconnection Customer.

2.4.2 Transmission Provider may, at its option, retain any portion of such materials, equipment, or facilities that Interconnection Customer chooses not to accept delivery of, in which case Transmission Provider shall be responsible for all costs associated with procuring such materials, equipment, or facilities.

2.4.3 With respect to any portion of the Interconnection Facilities, and any other facilities already installed or constructed pursuant to the terms of this LGIA, Interconnection Customer shall be responsible for all costs, penalties and liabilities associated with the removal, relocation or other disposition or retirement of such materials, equipment, or facilities.

2.5 **Disconnection.** Upon termination of this LGIA, the Parties will take all appropriate steps to disconnect the Large Generating Facility from the Transmission System. All costs required to effectuate such disconnection shall be borne by the terminating Party, unless such termination resulted from the non-terminating Party's Default of this LGIA or such non-terminating Party otherwise is responsible for these costs under this LGIA.

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

**Article 3. Reserved.**

**Article 4. Scope of Service**

**4.1 Interconnection Product Options.** At the time the Interconnection Request was submitted, Interconnection Customer requested Energy Resource Interconnection Service.

**4.1.1 Energy Resource Interconnection Service.**

**4.1.1.1 The Product.** Energy Resource Interconnection Service allows Interconnection Customer to connect the Large Generating Facility to the Transmission System and be eligible to deliver the Large Generating Facility's output using the existing firm or non-firm capacity of the Transmission System on an "as available" basis. Transmission Provider shall construct facilities identified in Attachment A.

**4.1.1.2 Transmission Service Implications.** Under Energy Resource Interconnection Service, Interconnection Customer will be eligible to inject power from the Large Generating Facility into and deliver power across the interconnecting Transmission Provider's Transmission System on an "as available" basis up to the amount of MWs identified in the applicable stability and steady state studies to the extent the upgrades initially required to qualify for Energy Resource Interconnection Service have been constructed. Under the terms and conditions of this LGIA, no Transmission Service from the Large Generating Facility into or across Transmission Provider's Transmission System is being offered. Interconnection Customer may obtain Point-to-Point Transmission Service, pursuant to Transmission Provider's Tariff, up to the maximum output identified in the stability and steady state studies. In those instances, in order for Interconnection Customer to obtain the right to deliver or inject energy beyond the Large Generating Facility Point of Interconnection or to improve its ability to do so, Transmission Service must be obtained pursuant to the provisions of Transmission Provider's Tariff. The Interconnection Customer's ability to inject its Large Generating Facility output beyond the Point of Interconnection, therefore, will depend on the existing capacity of Transmission Provider's Transmission System at such time as a Transmission Service request is made that would accommodate such delivery. The provision of firm



Point-to-Point Transmission Service may require the construction of additional Network Upgrades.

**4.1.2 Network Resource Interconnection Service.**

4.1.2.1 Reserved.

4.1.2.2 Reserved.

**4.2 Provision of Service.** Transmission Provider shall provide Interconnection Service for the Large Generating Facility at the Point of Interconnection.

**4.3 Performance Standards.** Each Party shall perform all of its obligations under this LGIA in accordance with Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice, and to the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this LGIA for its compliance therewith. If such Party is a Transmission Provider or Transmission Owner, then that Party shall amend the LGIA accordingly.

**4.4 No Transmission Service.** The execution of this LGIA does not constitute a request for, nor the provision of, any Transmission Service under Transmission Provider's Tariff, and does not convey any right to deliver electricity to any specific customer or Point of Delivery.

**4.5 Interconnection Customer Provided Services.** The services provided by Interconnection Customer under this LGIA are set forth in Article 9.6 (Reactive Power) and Article 13.5.1 (Emergency Condition). Interconnection Customer shall be paid for such services in accordance with Article 11.6.

**Article 5. Interconnection Facilities Engineering, Procurement, and Construction**

**5.1 Options.** Unless otherwise mutually agreed to between the Parties, Interconnection Customer shall select the In-Service Date, Initial Synchronization Date, and Commercial Operation Date; and the Standard Option set forth below for completion of Transmission Provider's Interconnection Facilities and Network Upgrades as set forth in Appendix A, Interconnection Facilities and Network Upgrades, and such dates and selected option shall be set forth in Appendix B, Milestones.

- 5.1.1 Standard Option.** Transmission Provider shall design, procure, and construct Transmission Provider's Interconnection Facilities and Network Upgrades, using Reasonable Efforts to complete Transmission Provider's Interconnection Facilities and Network Upgrades by the dates set forth in Appendix B, Milestones. Transmission Provider shall not be required to undertake any action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, and Applicable Laws and Regulations. In the event Transmission Provider reasonably expects that it will not be able to complete Transmission Provider's Interconnection Facilities and Network Upgrades by the specified dates, Transmission Provider shall promptly provide written notice to Interconnection Customer and shall undertake Reasonable Efforts to meet the earliest dates thereafter.
- 5.1.2 Reserved.**
- 5.1.3 Option to Build.** Transmission Provider, within its sole discretion, may provide Interconnection Customer with the option, in writing, to assume responsibility for the design, procurement and construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades on the dates specified in Appendix B, Milestones. Transmission Provider and Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify such Stand Alone Network Upgrades in Appendix A. Except for Stand Alone Network Upgrades, Interconnection Customer shall have no right to construct Network Upgrades under this option.
- 5.1.4 Negotiated Option.** If Interconnection Customer elects not to exercise the written option provided by Transmission Provider under Article 5.1.3, Option to Build, Interconnection Customer shall so notify Transmission Provider within thirty (30) Calendar Days, and the Parties shall in good faith attempt to negotiate terms and conditions (including revision of the specified dates, the provision of incentives or the procurement and construction of a portion of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades by Interconnection Customer) pursuant to which Transmission Provider is responsible for the design, procurement and construction of Transmission Provider's Interconnection Facilities and Network Upgrades. If the Parties are unable to reach agreement on such terms and conditions, Transmission Provider shall assume responsibility for the design, procurement and construction of

Transmission Provider's Interconnection Facilities and Network Upgrades pursuant to 5.1.1, Standard Option.

**5.2 General Conditions Applicable to Option to Build.** If Interconnection Customer assumes responsibility for the design and engineering, procurement and/or construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades, Interconnection Customer shall:

- (1) engineer, procure equipment, and construct Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades (or portions thereof) using Good Utility Practice and complying with the standards and specifications provided in advance by Transmission Provider;
- (2) comply with all Applicable Laws and Regulations and all insurance requirements, warranties, shipping insurance, storage protocols, and other policies and requirements to which Transmission Provider would be subject in the engineering, procurement or construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades;
- (3) provide Transmission Provider with the engineering design, equipment acceptance tests, and construction drawings of the Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades for Transmission Provider to review and approve;
- (4) prior to commencement of construction provide to Transmission Provider a schedule for construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades, and promptly respond to any request for information from Transmission Provider;
- (5) at any time during construction, grant unrestricted access to Transmission Provider and allow Transmission Provider to conduct inspections of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades;
- (6) be obligated to remedy deficiencies in that portion of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades that do not meet the standards and specifications provided by Transmission Provider at any time during construction;

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

(8) transfer control of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades to Transmission Provider;

(9) transfer ownership of Transmission Provider's Interconnection Facilities and Stand-Alone Network Upgrades to Transmission Provider unless the Parties otherwise agree; and

(10) obtain Transmission Provider's approval and acceptance for operation and maintenance of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades prior to the In-Service Date; and

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

Upon Interconnection Customer's assumption of the responsibility for the design, procurement and/or construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades, Transmission Provider shall:

(12) review and approve the engineering design, equipment acceptance tests, and the construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades; and

(13) approve and accept for operation and maintenance Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades to the extent such facilities and upgrades are engineered, procured, and constructed in accordance with this Article 5.2.

**5.3 Reserved.**

**5.4 Power System Stabilizers.** The Interconnection Customer shall procure, install, maintain and operate power system stabilizers in accordance with the guidelines and procedures established by the Applicable Reliability Council. Transmission Provider reserves the right to reasonably establish minimum acceptable settings

for any installed power system stabilizers, subject to the design and operating limitations of the Large Generating Facility. If the Large Generating Facility's power system stabilizers are removed from service or not capable of automatic operation, Interconnection Customer shall immediately notify Transmission Provider's system operator, or its designated representative. The requirements of this paragraph shall not apply to wind generators or solar photovoltaic generators, unless the need for such criteria has been established in the System Impact Study.

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

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

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

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

**5.6 Construction Commencement.** Transmission Provider shall commence construction of Transmission Provider's Interconnection Facilities and Network Upgrades for which it is responsible as soon as practicable after the following additional conditions are satisfied:

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

**5.6.2** Necessary real property rights and rights-of-way have been obtained, to the extent required for the construction of a discrete aspect of Transmission Provider's Interconnection Facilities and Network Upgrades;

**5.6.3** Transmission Provider has received written authorization to proceed with construction from Interconnection Customer by the date specified in Appendix B, Milestones; and

- 5.6.4** Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.5 by the dates specified in Appendix B, Milestones.
- 5.7** **Work Progress.** The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. Either Party may, at any time, request a progress report from the other Party. If, at any time, Interconnection Customer determines that the completion of Transmission Provider's Interconnection Facilities will not be required until after the specified In-Service Date, Interconnection Customer will provide written notice to Transmission Provider of such later date upon which the completion of Transmission Provider's Interconnection Facilities will be required.
- 5.8** **Information Exchange.** As soon as reasonably practicable after the Effective Date, the Parties shall exchange information regarding the design and compatibility of the Parties' Interconnection Facilities and compatibility of the Interconnection Facilities with Transmission Provider's Transmission System, and shall work diligently and in good faith to make any necessary design changes.
- 5.9** **Limited Operation.** If any of Transmission Provider's Interconnection Facilities or Network Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of the Large Generating Facility, Transmission Provider shall, upon the request and at the expense of Interconnection Customer, perform operating studies on a timely basis to determine the extent to which the Large Generating Facility and Interconnection Customer's Interconnection Facilities may operate prior to the completion of Transmission Provider's Interconnection Facilities or Network Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Standards, Good Utility Practice, and this LGIA. Transmission Provider shall permit Interconnection Customer to operate the Large Generating Facility and Interconnection Customer's Interconnection Facilities provided that the results support such operations and Interconnection Customer operates such facilities in accordance with the results of such studies.
- 5.10** **Interconnection Customer's Interconnection Facilities (ICIF).** Interconnection Customer shall, at its expense, design, procure, construct, own and install the ICIF, as set forth in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades.
- 5.10.1** **Interconnection Customer's Interconnection Facility Specifications.** Interconnection Customer shall submit initial

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

**5.10.2 Transmission Provider's Review.** Transmission Provider's review of Interconnection Customer's final specifications shall not be construed as confirming, endorsing, or providing any express or implied representation or warranty as to the design, merchantability, fitness for any particular purpose, safety, durability, reliability, compatibility or capability of the Large Generating Facility, or the ICIF. Interconnection Customer shall make such changes to the ICIF as may reasonably be directed by Transmission Provider, in accordance with Good Utility Practice, to ensure that the ICIF are compatible with the technical specifications, operational control, and safety requirements of Transmission Provider.

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

automatic voltage regulator, Large Generating Facility control and protection settings, transformer tap settings, and communications, if applicable.

**5.11 Transmission Provider's Interconnection Facilities Construction.**

Transmission Provider's Interconnection Facilities shall be designed and constructed in accordance with Good Utility Practice. Upon request, within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless the Parties agree on another mutually acceptable deadline, Transmission Provider shall deliver to Interconnection Customer "as-built" drawings, information and documents for Transmission Provider's Interconnection Facilities including relay diagrams.

Transmission Provider will obtain ownership and control of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades upon completion of such facilities.

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

**5.13 Lands of Other Property Owners.** If any part of Transmission Provider's Interconnection Facilities and/or Network Upgrades is to be installed on property owned by persons other than Interconnection Customer or Transmission Provider, Transmission Provider shall, at Interconnection Customer's expense, use efforts similar in nature and extent to those that it typically undertakes on its own behalf or on behalf of its Affiliates, including use of its eminent domain authority, and to



the extent consistent with 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 Transmission Provider's Interconnection Facilities and/or Network Upgrades upon such property.

- 5.14 Permits.** Transmission Provider and Interconnection Customer shall cooperate with each other in good faith in obtaining all permits, licenses, and authorizations that are necessary to accomplish the interconnection in compliance with Applicable Laws and Regulations. With respect to this paragraph, Transmission Provider shall provide permitting assistance to Interconnection Customer comparable to that provided to Transmission Provider's own, or an Affiliate's, generation.
- 5.15 Early Construction of Base Case Facilities.** Interconnection Customer may request Transmission Provider to construct, and Transmission Provider shall use Reasonable Efforts to advance construction of facilities in effort to accommodate Interconnection Customer's In-Service Date, all or any portion of any Network Upgrades required for Interconnection Customer to be interconnected to the Transmission System which are included in the Base Case of the Facilities Study for Interconnection Customer, and facilities which also are required to be constructed for another Interconnection Customer but where such construction is not scheduled to be completed in time to achieve Interconnection Customer's In-Service Date.
- 5.16 Suspension.** Interconnection Customer reserves the right, upon written notice to Transmission Provider, to suspend at any time all work by Transmission Provider associated with the construction and installation of Transmission Provider's Interconnection Facilities and/or Network Upgrades required under this LGIA with the condition that Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and Transmission Provider's safety and reliability criteria. Transmission Provider shall not be liable for any acts or omissions of Interconnection Customer relating to its decision and implementation of suspension. Interconnection Customer shall indemnify Transmission Provider from and against any and all claims, actions, disputes and proceedings which may come against Transmission Provider arising by reason of or incident to Interconnection Customer's suspension of work on Transmission Provider's Interconnection Facilities, Network Upgrades and/or Interconnection Customer's Interconnection Facilities.

In the event that Interconnection Customer elects to suspend work pursuant to this Article 5.16, Interconnection Customer shall be responsible for (i) insuring that the

Interconnection Customer's Interconnection Facilities constructed or installed to date are secured and left in a safe and reliable condition in accordance with Good Utility Practice, and (ii) all reasonable and necessary costs which Transmission Provider has incurred pursuant to this LGIA prior to the suspension and which Transmission Provider incurs as a result of the suspension, including any costs incurred to perform such work and any work that may be necessary to ensure the safety of persons and property and the integrity of the Transmission System during such suspension and, if applicable, any costs incurred in connection with the cancellation or suspension of material, equipment and labor contracts which Transmission Provider cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, Transmission Provider shall obtain Interconnection Customer's authorization to do so.

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

#### **5.17 Taxes.**

To the extent that Transmission Provider becomes subject to Federal income taxation, the following provisions within this Article 5.17 shall apply:

**5.17.1 Interconnection Customer Payments Not Taxable.** The Parties intend that all payments or property transfers made by Interconnection Customer to Transmission Provider for the installation of Transmission Provider's Interconnection Facilities and the Network Upgrades shall be non-taxable, either as contributions to capital, or as an advance, in accordance with the Internal Revenue Code and any applicable state income tax laws and shall not be taxable as contributions in aid of construction or otherwise under the Internal Revenue Code and any applicable state income tax laws.

**5.17.2 Representations and Covenants.** In accordance with IRS Notice 2001-82 and IRS Notice 88-129, Interconnection Customer

represents and covenants that (i) ownership of the electricity generated at the Large Generating Facility will pass to another party prior to the transmission of the electricity on the Transmission System, (ii) for income tax purposes, the amount of any payments and the cost of any property transferred to Transmission Provider for Transmission Provider's Interconnection Facilities will be capitalized by Interconnection Customer as an intangible asset and recovered using the straight-line method over a useful life of twenty (20) years, and (iii) any portion of Transmission Provider's Interconnection Facilities that is a "dual-use intertie," within the meaning of IRS Notice 88-129, is reasonably expected to carry only a de minimis amount of electricity in the direction of the 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 Transmission Provider's request, Interconnection Customer shall provide Transmission Provider with a report from an independent engineer confirming its representation in clause (iii), above. Transmission Provider represents and covenants that the cost of Transmission Provider's Interconnection Facilities paid for by Interconnection Customer will have no net effect on the base upon which rates are determined.

### **5.17.3**

#### **Indemnification for the Cost Consequences of Current Tax Liability Imposed Upon the Transmission Provider.**

Notwithstanding Article 5.17.1, Interconnection Customer shall protect, indemnify and hold harmless Transmission Provider from the cost consequences of any current tax liability imposed against Transmission Provider as the result of payments, property transfers, or its use of the Transmission Provider's Interconnection Facilities or the Transmission System by Interconnection Customer under the terms and conditions of this LGIA, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Transmission Provider.

Transmission Provider shall not include a gross-up for the cost consequences of any current tax liability in the amounts it charges

Interconnection Customer under this LGIA unless (i) Transmission Provider has determined, in good faith, that the payments or property transfers made by Interconnection Customer to Transmission Provider should be reported as income subject to taxation or (ii) any Governmental Authority directs Transmission Provider to report payments or property as income subject to taxation; provided, however, that Transmission Provider may require Interconnection Customer to provide security for Interconnection Facilities, in a form reasonably acceptable to Transmission Provider (such as a parental guarantee or a letter of credit), in an amount equal to the cost consequences of any current tax liability under this Article 5.17. Interconnection Customer shall reimburse Transmission Provider for such costs on a fully grossed-up basis, in accordance with Article 5.17.4, within thirty (30) Calendar Days of receiving written notification from Transmission Provider of the amount due, including detail about how the amount was calculated.

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

**5.17.4**

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

receive and retain, after the payment of all Current Taxes, an amount equal to the net amount described in clause (1).

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

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

Transmission Provider shall keep Interconnection Customer fully informed of the status of such request for a private letter ruling and shall execute either a privacy act waiver or a limited power of attorney, in a form acceptable to the IRS, that authorizes Interconnection Customer to participate in all discussions with the IRS regarding such request for a private letter ruling. Transmission Provider shall allow Interconnection Customer to attend all meetings

with IRS officials about the request and shall permit Interconnection Customer to prepare the initial drafts of any follow-up letters in connection with the request.

**5.17.6 Subsequent Taxable Events.** If, within 10 years from the date on which the relevant Transmission Provider's Interconnection Facilities are placed in service, (i) Interconnection Customer Breaches the covenants contained in Article 5.17.2, (ii) a "disqualification event" occurs within the meaning of IRS Notice 88-129, or (iii) this LGIA terminates and Transmission Provider retains ownership of the Interconnection Facilities and Network Upgrades, Interconnection Customer shall pay a tax gross-up for the cost consequences of any current tax liability imposed on Transmission Provider, calculated using the methodology described in Article 5.17.4 and in accordance with IRS Notice 90-60.

**5.17.7 Contests.** In the event any Governmental Authority determines that Transmission Provider's receipt of payments or property constitutes income that is subject to taxation, Transmission Provider shall notify Interconnection Customer, in writing, within thirty (30) Calendar Days of receiving notification of such determination by a Governmental Authority. Upon the timely written request by Interconnection Customer and at Interconnection Customer's sole expense, Transmission Provider may appeal, protest, seek abatement of, or otherwise oppose such determination. Upon Interconnection Customer's written request and sole expense, Transmission Provider may file a claim for refund with respect to any taxes paid under this Article 5.17, whether or not it has received such a determination. Transmission Provider reserves the right to make all decisions with regard to the prosecution of such appeal, protest, abatement or other contest, including the selection of counsel and compromise or settlement of the claim, but Transmission Provider shall keep Interconnection Customer informed, shall consider in good faith suggestions from Interconnection Customer about the conduct of the contest, and shall reasonably permit Interconnection Customer or an Interconnection Customer representative to attend contest proceedings.

Interconnection Customer shall pay to Transmission Provider on a periodic basis, as invoiced by Transmission Provider, Transmission Provider's documented reasonable costs of prosecuting such appeal,

protest, abatement or other contest. At any time during the contest, Transmission Provider may agree to a settlement either with Interconnection Customer's consent or after obtaining written advice from nationally-recognized tax counsel, selected by Transmission Provider, but reasonably acceptable to Interconnection Customer, that the proposed settlement represents a reasonable settlement given the hazards of litigation. Interconnection Customer's obligation shall be based on the amount of the settlement agreed to by Interconnection Customer, or if a higher amount, so much of the settlement that is supported by the written advice from nationally-recognized tax counsel selected under the terms of the preceding sentence. The settlement amount shall be calculated on a fully grossed-up basis to cover any related cost consequences of the current tax liability. Any settlement without Interconnection Customer's consent or such written advice will relieve Interconnection Customer from any obligation to indemnify Transmission Provider for the tax at issue in the contest.

**5.17.8**

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

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

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

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

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

**5.17.9**

**Taxes Other Than Income Taxes.** Upon the timely request by Interconnection Customer, and at Interconnection Customer's sole expense, Transmission Provider may appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Transmission Provider for which Interconnection Customer may be required to reimburse Transmission Provider under the terms of this LGIA. Interconnection Customer shall pay to Transmission Provider on a periodic basis, as invoiced by Transmission Provider, Transmission Provider's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Interconnection Customer and



Transmission Provider shall cooperate in good faith with respect to any such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot be deferred, no amount shall be payable by Interconnection Customer to Transmission Provider for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, Interconnection Customer will be responsible for all taxes, interest and penalties, other than penalties attributable to any delay caused by Transmission Provider.

**5.17.10 Transmission Owners Who Are Not Transmission Providers.** If Transmission Provider is not the same entity as the Transmission Owner, then (i) all references in this Article 5.17 to Transmission Provider shall also be deemed to refer to and include the Transmission Owner, as appropriate, and (ii) this LGIA shall not become effective until such Transmission Owner shall have agreed in writing to assume all of the duties and obligations of Transmission Provider under this Article 5.17 of this LGIA.

**5.18 Tax Status.** Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this LGIA is intended to adversely affect any Transmission Provider's tax exempt status with respect to the issuance of bonds including, but not limited to, Tax Exempt and Tax Credit Bonds (as defined in Section 13.6.1 of the LGIP).

**5.19 Modification.**

**5.19.1 General.** Either Party may undertake modifications to its facilities; provided that, each Party does not impair or impede the local area stability and reliability of the Transmission System. If a Party plans to undertake a modification that reasonably may be expected to affect the other Party's facilities, that Party shall provide written notification to the other Party and also provide sufficient information regarding such modification so that the other Party may evaluate the potential impact of such modification prior to commencement of the work. Such information shall be deemed to be confidential hereunder and shall include information concerning the timing of such modifications and whether such modifications are expected to interrupt the flow of electricity from the Large Generating Facility or from Interconnection Facilities or on the Transmission System.

If Interconnection Customer is undertaking any modification as a result of an interconnection request by a third party or an Affiliate or on its own to interconnect to the Interconnection Customer's Interconnection Facilities, Interconnection Customer shall treat Transmission Provider as an Affected System Operator and further comply with all Applicable Laws and Regulations including any necessary filing of a transmission tariff with FERC and securing the necessary ancillary services from Transmission Provider or another entity to support transmission service on Interconnection Customer's Interconnection Facilities. Interconnection Customer shall also coordinate its studies with Transmission Provider to evaluate whether any Network Upgrades are required on the Transmission Provider's Transmission System as a result of such interconnection request.

The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Party 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 Interconnection Customer to submit a new or separate Interconnection Request, Transmission Provider shall, upon receipt of Interconnection Customer's written notification of modifications, provide, within sixty (60) Calendar Days (or such other time as the Parties may agree), an estimate of any additional modifications to the Transmission System, Transmission Provider's Interconnection Facilities or Network Upgrades necessitated by such Interconnection Customer modification and a good faith estimate of the costs thereof.

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

**5.19.3 Modification Costs.** Interconnection Customer shall not be directly assigned the costs of any additions, modifications, or replacements that Transmission Provider makes to Transmission Provider's Interconnection Facilities or the Transmission System to facilitate

the interconnection of a third party to Transmission Provider's Interconnection Facilities or the Transmission System, or to provide Transmission Service to a third party under Transmission Provider's Tariff. Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to Interconnection Customer's Interconnection Facilities that may be necessary to maintain or upgrade such Interconnection Customer's Interconnection Facilities or any necessary additions, modifications or replacements to Transmission Provider's Interconnection Facilities and Transmission Provider's Transmission System resulting from any interconnection request processed by Interconnection Customer to interconnect into Interconnection Customer's Interconnection Facilities, consistent with Applicable Laws and Regulations, Applicable Reliability Standards and/or Good Utility Practice.

**5.20 Conformance with NERC and WECC Reliability Requirements.**

Interconnection Customer must abide by all Applicable Reliability Standards including, but not limited to:

1. Coordination of joint studies of new facilities and their impacts on the interconnected transmission systems.
2. Notification of new or modified facilities to others (those responsible for the reliability of the interconnected transmission systems) as soon as feasible.
3. Voltage level and MW and MVAR capacity or demand at point of connection.
4. Breaker duty and surge protection.
5. System protection and coordination.
6. Metering and telecommunications.
7. Grounding and safety issues.
8. Insulation and insulation coordination.
9. Voltage, Reactive Power, and power factor control.
10. Power quality impacts.
11. Equipment Ratings.
12. Synchronizing of facilities.
13. Maintenance coordination.
14. Operational issues (abnormal frequency and voltages).
15. Inspection requirements for existing or new facilities.
16. Communications and procedures during normal and emergency operating conditions.

More general requirements are identified within various articles of this LGIA.

## **Article 6. Testing and Inspection**

- 6.1 Pre-Commercial Operation Date Testing and Modifications.** Prior to the Commercial Operation Date, Transmission Provider shall test and measure Transmission Provider's Interconnection Facilities and Network Upgrades and Interconnection Customer shall test and measure the Large Generating Facility and Interconnection Customer's Interconnection Facilities to ensure their safe and reliable operation. Similar testing and measurement may be required after initial operation. Each Party shall make modifications to its facilities that are found to be necessary as a result of such testing and measurements. Interconnection Customer shall bear the cost of all such testing, measurements, any additional study of harmonics and subsynchronous resonance (SSR) that Transmission Provider deems necessary, and any modification. Interconnection Customer shall generate test energy at the Large Generating Facility only if it has arranged for the delivery of such test energy.
- 6.2 Post-Commercial Operation Date Testing and Modifications.** Each Party shall at its own expense perform routine inspection and testing of its facilities and equipment in accordance with Good Utility Practice as may be necessary to ensure the continued interconnection of the Large Generating Facility with the Transmission System in a safe and reliable manner. Each Party shall have the right, upon advance written notice, to require reasonable additional testing of the other Party's facilities, at the requesting Party's expense, in accordance with Good Utility Practice.
- 6.3 Right to Observe Testing.** Each Party shall notify the other Party in advance of its performance of tests of its Interconnection Facilities. The other Party has the right, at its own expense, to observe such testing.
- 6.4 Right to Inspect.** Each Party shall have the right, but shall have no obligation to:
- (i) observe 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 Interconnection Facilities, the System Protection Facilities and other

protective equipment. A Party may exercise these rights from time to time as it deems necessary upon reasonable notice to the other 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 Interconnection Facilities or the System Protection Facilities or other protective equipment or the operation thereof, or as a warranty or representation as to the merchantability, fitness for a particular purpose, safety, desirability, durability or reliability of same. Any information that a Party obtains through the exercise of any of its rights under this Article 6.4 shall be deemed to be Confidential Information and treated pursuant to Article 22 of this LGIA.

## **Article 7. Metering**

- 7.1 General.** Each Party shall comply with the Applicable Reliability Council requirements governing metering. Unless otherwise agreed by the Parties, Transmission Provider 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. Power flows to and from the Large Generating Facility shall be measured at or, at Transmission Provider's option, compensated to, the Point of Interconnection. Transmission Provider shall provide metering quantities, in analog and/or digital form, to Interconnection Customer upon request. Interconnection Customer shall bear all reasonable documented costs associated with the purchase, installation, operation, testing and maintenance of the Metering Equipment.
- 7.2 Check Meters.** Interconnection Customer, at its option and expense, may install and operate, on its premises and on its side of the Point of Interconnection, one or more check meters to check Transmission Provider'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 LGIA, except as provided in Article 7.4 below. The check meters shall be subject at all reasonable times to inspection and examination by Transmission Provider or its designee or agent. The installation, operation and maintenance thereof shall be performed entirely by Interconnection Customer in accordance with Good Utility Practice.
- 7.3 Standards.** Transmission Provider shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards.
- 7.4 Testing of Metering Equipment.** Transmission Provider shall inspect and test all Transmission Provider-owned Metering Equipment upon installation and at least

once every two (2) years thereafter. If requested to do so by Interconnection Customer, Transmission Provider shall, at Interconnection Customer's expense, inspect or test Metering Equipment more frequently than every two (2) years. Transmission Provider shall give reasonable notice of the time when any inspection or test shall take place, and Interconnection Customer may have representatives present at the test or inspection. If at any time Metering Equipment is found to be inaccurate or defective, it shall be adjusted, repaired or replaced at Interconnection Customer's expense, in order to provide accurate metering, unless the inaccuracy or defect is due to Transmission Provider's failure to comply with the above inspection and testing cycle, then Transmission Provider shall pay. If Metering Equipment fails to register, or if the measurement made by Metering Equipment during a test varies by more than two percent from the measurement made by the standard meter used in the test, Transmission Provider shall adjust the measurements by correcting all measurements for the period during which Metering Equipment was in error by using Interconnection Customer's check meters, if installed. If no such check meters are installed or if the period cannot be reasonably ascertained, the adjustment shall be for the period immediately preceding the test of the Metering Equipment equal to one-half the time from the date of the last previous test of the Metering Equipment.

**7.5 Metering Data.** At Interconnection Customer's expense, the metered data shall be telemetered to one or more locations designated by Transmission Provider and one or more locations designated by Interconnection Customer. Such telemetered data shall be used, under normal operating conditions, as the official measurement of the amount of energy delivered from the Large Generating Facility to the Point of Interconnection.

**7.6 Performance Monitoring by Phasor Measuring Units**

The Interconnection Customer shall provide a simulation model to Transmission Provider which complies with the WECC Generator Test Policy posted in the "Generator Testing Program" area on the WECC website at [www.wecc.biz](http://www.wecc.biz), or any successor Test Policy. Monitoring of the generator's actual dynamic behavior is required to fully validate and verify the model provided by or on behalf of the Interconnection Customer. If Transmission Provider observes a severe discrepancy between the monitored dynamic behavior and the simulation based on the model and parametric values provided by the Interconnection Customer, then the Interconnection Customer shall be required to perform parametric testing of the generation equipment at Interconnection Customer's expense.

Transmission Provider uses a Phasor Measuring Unit (PMU) to monitor the dynamic behavior of the generator. A PMU provides digital high-speed time-

synchronized voltage and current phasors and frequency measurements. Transmission Provider requires PMU functionality at all generation plants that are directly interconnected to Transmission Provider's Transmission System at voltages of 230-kV and above, and at some lower voltage interconnections when identified during the Interconnection Study. The PMU will be installed at the Interconnection Customer's substation, such as a collector station for a wind generation project. The PMU will measure quantities at either the low side or high side of each substation step-up transformer (e.g., 34.5/230 kV).

Transmission Provider will provide the manufacturer and model number for the PMU. The PMU and the required communication circuits/equipment at the Interconnection Customer's substation shall be installed by Interconnection Customer, or by Transmission Provider at Interconnection Customer's expense. Depending on the Point of Interconnection, Transmission Provider will also require a continuous data stream to a Transmission Provider Phasor Data Concentrator via the installed communications network at the Interconnection Customer's substation. The PMU must be tested after configuration (but prior to installation) for compliance with IEEE C37.118 standard (or applicable superseding IEEE Standard) and WECC filtering and dynamic performance requirements.

## **Article 8. Communications**

**8.1 Interconnection Customer Obligations.** Interconnection Customer shall maintain satisfactory operating communications with Transmission Provider's Transmission System dispatcher or representative designated by Transmission Provider. Interconnection Customer shall provide standard voice line, dedicated voice line and facsimile communications at its 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. Interconnection Customer shall also provide the dedicated data circuit(s) necessary to provide Interconnection Customer data to Transmission Provider as set forth in Appendix D, Security Arrangements Details. The data circuit(s) shall extend from the Large Generating Facility to the location(s) specified by Transmission Provider. Any required maintenance of such communications equipment shall be performed by Interconnection Customer. Operational communications shall be activated and maintained under, but not be limited to, the following events: system paralleling or separation, scheduled and unscheduled shutdowns, equipment clearances, and hourly and daily load data.

**8.2 Remote Terminal Unit.** Prior to the Initial Synchronization Date of the Large Generating Facility, a Remote Terminal Unit, or equivalent data collection and transfer equipment acceptable to the Parties, shall be installed by Interconnection Customer, or by Transmission Provider at Interconnection Customer's expense, to gather accumulated and instantaneous data to be telemetered to the location(s) designated by Transmission Provider through use of a dedicated point-to-point data circuit(s) as indicated in Article 8.1. The communication protocol for the data circuit(s) shall be specified by Transmission Provider and Interconnection Customer shall supply data in accordance with this communication protocol, including but not limited to: (1) real-time analog data which must be telemetered directly to the location(s) specified by Transmission Provider; (2) status points; (3) accumulators; (4) control points; and (5) any other operating data requested by Transmission Provider.

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

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

## **Article 9. Operations**

**9.1 General.** Each Party shall comply with the Applicable Reliability Council requirements. Each Party shall provide to the other Party all information that may reasonably be required by the other Party to comply with Applicable Laws and Regulations and Applicable Reliability Standards.

**9.2 Balancing Authority Area Notification.** At least three months before Initial Synchronization Date, Interconnection Customer shall notify Transmission Provider in writing of the Balancing Authority Area in which the Large Generating Facility will be located. If Interconnection Customer elects to locate the Large Generating Facility in a Balancing Authority Area other than the Balancing Authority Area in which the Large Generating Facility is physically located, and if permitted to do so by the relevant transmission tariffs, all necessary arrangements, including but not limited to those set forth in Article 7 and Article 8



of this LGIA, and remote Balancing Authority Area generator interchange agreements, if applicable, and the appropriate measures under such agreements, shall be executed and implemented prior to the placement of the Large Generating Facility in the other Balancing Authority Area.

**9.3 Transmission Provider Obligations.** Transmission Provider shall operate, maintain and control the Transmission System and Transmission Provider's Interconnection Facilities in a safe and reliable manner and in accordance with this LGIA. Transmission Provider has authority to provide operating instructions to Interconnection Customer consistent with this LGIA, Applicable Reliability Standards, and Transmission Provider's operating protocols and procedures, as they may change from time to time.

**9.4 Interconnection Customer Obligations.** Interconnection Customer shall at its own expense operate, maintain and control the Large Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this LGIA and the NERC Reliability Standards. Interconnection Customer shall operate the Large Generating Facility and Interconnection Customer's Interconnection Facilities in accordance with all applicable requirements of the Balancing Authority Area of which it is a part, as such requirements are set forth in Appendix C, Interconnection Details, of this LGIA. Notwithstanding the provisions in Articles 30.9 and 30.10, Transmission Provider may modify Appendix C, Interconnection Details, to reflect changes to the requirements as they may change from time to time without the need for a written amendment to this LGIA. Either Party may request that the other Party provide copies of the requirements set forth in Appendix C, Interconnection Details, of this LGIA.

**9.5 Start-Up and Synchronization.** Consistent with the Parties' mutually acceptable procedures, Interconnection Customer is responsible for the proper synchronization of the Large Generating Facility to Transmission Provider's Transmission System.

**9.6 Reactive Power.**

**9.6.1 Power Factor Design Criteria.** Interconnection Customer shall design the Large Generating Facility to maintain a composite power delivery at continuous rated power output at the Point of Interconnection at a power factor within the range of 0.95 leading to 0.95 lagging, unless Transmission Provider or Transmission Operator has established different requirements that apply to all generators in the Balancing Authority Area on a

comparable basis. The requirements of this paragraph shall not apply to wind generators unless the need for such criteria has been established in the System Impact Study.

**9.6.2 Voltage Schedules.** Once Interconnection Customer has synchronized the Large Generating Facility with the Transmission System, Transmission Provider or Transmission Operator shall require Interconnection Customer to operate the Large Generating Facility to produce or absorb reactive power within the design limitations of the Large Generating Facility. Transmission Provider's or Transmission Operator's voltage schedules, which may be modified in real time as necessary, shall treat all sources of reactive power in the Balancing Authority Area in an equitable and not unduly discriminatory manner. For purposes of this Article 9.6.2, "voltage schedule" is the target voltage to be maintained within a tolerance band during a specified period.

Transmission Provider or Transmission Operator shall exercise Reasonable Efforts to provide Interconnection Customer with such schedules at least one (1) day in advance, and may make changes to such schedules as necessary to maintain the reliability of the Transmission System. Interconnection Customer shall operate the Large Generating Facility to maintain the specified output voltage or reactive power at the Point of Interconnection within the design limitations of the Large Generating Facility. If Interconnection Customer is unable to maintain the specified voltage or reactive power, it shall promptly notify the Transmission Operator.

**9.6.2.1 Governors and Regulators.** Whenever the Large Generating Facility is operated in parallel with the Transmission System and the speed governors (if installed on the generating unit pursuant to Good Utility Practice) as well as the voltage regulators are capable of operation, Interconnection Customer shall operate the Large Generating Facility with its speed governors and voltage regulators in automatic operation. If the Large Generating Facility's speed governors and voltage regulators are not capable of such automatic operation, Interconnection Customer shall immediately notify the Transmission Operator and ensure that such Large Generating Facility's reactive power production or absorption (measured in MVARs) are within the design capability of the Large Generating Facility's generating

unit(s) and steady state stability limits. Interconnection Customer shall not cause its Large Generating Facility to disconnect automatically or instantaneously from the 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 Balancing Authority Area on a comparable basis.

**9.6.2.2 Off-Nominal Frequency and Under-frequency Load Shedding Criteria**

Interconnection Customer acknowledges that Transmission Provider has obligations to comply with Applicable Reliability Standards addressing Off-Nominal Frequency Load Shedding and Under-frequency Load Shedding, and Interconnection Customer agrees to cooperate with any request made by Transmission Provider that may be necessary to ensure compliance with such requirements.

**9.6.3 Payment for Reactive Power Outside of Range.** Transmission Provider will pay Interconnection Customer for reactive power that Interconnection Customer provides or absorbs from the Large Generating Facility when Transmission Provider requests Interconnection Customer to operate its Large Generating Facility outside the range specified by Transmission Provider or Transmission Operator. Payments shall be pursuant to Article 11.6 or such other agreement to which the Parties have otherwise mutually agreed.

**9.6.4 No Payment for Reactive Power Within Range.** Transmission Provider does not pay its own or affiliated generators for reactive power service within the specified range and similarly will not pay Interconnection Customer for reactive power service within the specified range.

**9.7 Outages and Interruptions.**

**9.7.1 Outages.**

**9.7.1.1 Outage Authority and Coordination.** Each Party, in accordance with Good Utility Practice and in compliance with Applicable Reliability Standards, shall coordinate with the other Party as well as the Transmission Operator and Balancing Authority, if not the same as Transmission Provider, before removing from service any of its respective Interconnection Facilities or Network Upgrades that may impact the other Party's facilities, including the Transmission System, as necessary to perform maintenance or testing or to install or replace equipment. Absent an Emergency Condition, the Party scheduling a removal of such facility(ies) from service will use Reasonable Efforts to schedule such removal on a date and time mutually acceptable to the Parties, Transmission Operator, and Balancing Authority. In all circumstances, any Party planning to remove such facility(ies) from service shall use Reasonable Efforts to minimize the effect on the other Party of such removal.

**9.7.1.2 Outage Schedules.** Transmission Provider shall post scheduled outages of its transmission facilities on the OASIS (as defined in the Tariff). Interconnection Customer shall submit its planned maintenance schedules for the Large Generating Facility to Transmission Provider for a minimum of a rolling twenty-four (24) month period. Interconnection Customer shall update its planned maintenance schedules as necessary. Transmission Provider may request Interconnection Customer to reschedule its maintenance as necessary to maintain the reliability of the Transmission System; provided, however, adequacy of generation supply shall not be a criterion in determining Transmission System reliability.

**9.7.1.3 Outage Restoration.** If an outage on a Party's Interconnection Facilities or Network Upgrades adversely affects the other Party's operations or facilities, the Party that owns or controls the facility that is out of service shall use Reasonable Efforts to promptly restore such facility(ies) to a normal operating condition consistent with the nature of the outage. The Party that owns or controls the facility that is out of service shall provide the other Party, to the extent such information is known, information on the nature of the

Emergency Condition, an estimated time of restoration, and any corrective actions required. Initial verbal notice shall be followed up as soon as practicable with written notice explaining the nature of the outage.

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

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

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

9.7.2.3 When the interruption or reduction must be made under circumstances which do not allow for advance notice, Transmission Provider shall notify Interconnection Customer by telephone as soon as practicable of the reasons for the curtailment, interruption, or reduction, and, if known, its expected duration. Telephone notification shall be followed by written notification as soon as practicable;

9.7.2.4 Except during the existence of an Emergency Condition, when the interruption or reduction can be scheduled without advance notice, Transmission Provider shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration. Transmission Provider shall coordinate with Interconnection Customer using Good Utility Practice to schedule the interruption or reduction during periods of least impact to Interconnection Customer and Transmission Provider; and

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

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

**9.7.4 System Protection and Other Control Requirements.**

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

**9.7.4.2** Each Party's protection facilities shall be designed and coordinated with other systems in accordance with Good Utility Practice.

**9.7.4.3** Each Party shall be responsible for protection of its facilities consistent with Good Utility Practice.

9.7.4.4 Each Party's protective relay design shall incorporate the necessary test switches to perform the tests required in Article 6. The required test switches will be placed such that they allow operation of lockout relays while preventing breaker failure schemes from operating and causing unnecessary breaker operations and/or the tripping of Interconnection Customer's units.

9.7.4.5 Each Party will test, operate and maintain System Protection Facilities in accordance with Good Utility Practice and WECC Criteria.

9.7.4.6 Prior to the In-Service Date, and again prior to the Commercial Operation Date, each Party or its agent shall perform a complete calibration test and functional trip test of the System Protection Facilities. At intervals suggested by Good Utility Practice and following any apparent malfunction of the System Protection Facilities, each Party shall perform both calibration and functional trip tests of its System Protection Facilities. These tests do not require the tripping of any in-service generation unit. These tests do, however, require that all protective relays and lockout contacts be activated.

**9.7.5 Requirements for Protection.** In compliance with Good Utility Practice, Applicable Reliability Standards, and WECC Criteria, Interconnection Customer 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 Transmission System not otherwise isolated by Transmission Provider's equipment, such that the removal of the fault contribution shall be coordinated with the protective requirements of the Transmission System. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Large Generating Facility and the Transmission System at a site selected upon mutual agreement (not to be unreasonably withheld, conditioned or delayed) of the Parties. Interconnection Customer shall be responsible for protection of the Large Generating Facility and Interconnection Customer's other equipment from such conditions as negative sequence currents, over- or under-frequency, sudden load

rejection, over- or under-voltage, and generator loss-of-field.

Interconnection Customer shall be solely responsible to disconnect the Large Generating Facility and Interconnection Customer's other equipment if conditions on the Transmission System could adversely affect the Large Generating Facility.

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

**9.8 Switching and Tagging Rules.** Each Party shall provide the other Party with 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 or implemented on a non-discriminatory basis. The Parties shall comply with applicable switching and tagging rules, as may be amended from time to time, in obtaining clearances for work or for switching operations on equipment.

**9.9 Use of Interconnection Facilities by Third Parties.**

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

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



allocated between or among Interconnection Customer and any third party users based upon the pro rata use of the Interconnection Facilities by Transmission Provider, all third party users, and Interconnection Customer, pursuant to a mutually agreed upon methodology. If the issue of such compensation or allocation cannot be resolved through such negotiations, it shall be submitted for dispute resolution as set forth in Article 27 of this LGIA.

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

#### **Article 10. Maintenance**

- 10.1 Transmission Provider Obligations.** Transmission Provider shall maintain the Transmission System and Transmission Provider's Interconnection Facilities in a safe and reliable manner and in accordance with this LGIA.
- 10.2 Interconnection Customer Obligations.** Interconnection Customer shall maintain the Large Generating Facility and Interconnection Customer's Interconnection Facilities in a safe and reliable manner and in accordance with this LGIA.
- 10.3 Coordination.** The Parties shall confer regularly to coordinate the planning, scheduling and performance of preventive and corrective maintenance on the Large Generating Facility and the Interconnection Facilities.
- 10.4 Secondary Systems.** Each Party shall cooperate with the other in the inspection, maintenance, and testing of control or power circuits that operate below 600 volts, alternating current (AC) or direct current (DC), including, but not limited to, any hardware, control or protective devices, cables, conductors, electric raceways, secondary equipment panels, transducers, batteries, chargers, and voltage and current transformers that directly affect the operation of a Party's facilities and equipment which may reasonably be expected to impact the other Party. Each Party shall provide advance notice to the other Party before undertaking any work

on such circuits, especially on electrical circuits involving circuit breaker trip and close contacts, current transformers, or potential transformers.

**10.5 Operating and Maintenance Expenses.** Subject to the provisions herein addressing the use of facilities by others, and except for operations and maintenance expenses associated with modifications made for providing interconnection or Transmission Service to a third party and such third party pays for such expenses, Interconnection Customer shall be responsible for all reasonable expenses including overheads, associated with: (1) owning, operating, maintaining, repairing, and replacing Interconnection Customer's Interconnection Facilities; and (2) operation, maintenance, repair and replacement of Transmission Provider's Interconnection Facilities.

## **Article 11. Performance Obligation**

**11.1 Interconnection Customer Interconnection Facilities.** Interconnection Customer shall design, procure, construct, install, own and/or control Interconnection Customer Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at its sole expense.

**11.2 Transmission Provider's Interconnection Facilities.** Transmission Provider shall design, procure, construct, install, own and/or control the Transmission Provider's Interconnection Facilities described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at the sole expense of the Interconnection Customer.

**11.3 Network Upgrades and Distribution Upgrades.** Transmission Provider shall design, procure, construct, install, and own the Network Upgrades and Distribution Upgrades described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades. The Interconnection Customer shall be responsible for the payment of and all costs related to Distribution Upgrades and Network Upgrades.

**11.4 Transmission Credits.**

**11.4.1 Repayment of Amounts Advanced for Network Upgrades.** Transmission Provider is a non-public utility. Transmission Provider and Interconnection Customer agree to waive the crediting

policy and reimbursement obligations applicable to public utility transmission providers.

Notwithstanding the foregoing, if an Affected System is identified in the evaluation of the Interconnection Request or Interconnection Service, Interconnection Customer and Affected System Operator will comply with the crediting policy or reimbursement obligations of the Affected System Operator without any cost allocation to Transmission Provider.

If the Large Generating Facility fails to achieve Commercial Operation, but it or another Generating Facility is later constructed and makes use of the Network Upgrades, the Affected System Operator and Interconnection Customer shall comply with the crediting and reimbursement policy of the Affected System Operator without any cost allocation to Transmission Provider.

**11.4.2 Special Provisions for Affected Systems.** Interconnection Customer and Affected System Operator shall enter into an agreement that provides for compliance with the crediting policy or reimbursement obligations of the Affected System Operator without any such costs being allocated to or imposed upon Transmission Provider.

**11.4.3 Reserved.**

**11.5 Provision of Security.** At least thirty (30) Calendar Days prior to the commencement of the design, engineering, procurement, installation, or construction of a discrete portion of a Transmission Provider's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, Interconnection Customer shall provide Transmission Provider, at Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Transmission Provider and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 14.2.1. Such security for payment shall be in an amount sufficient to cover the costs for designing, engineering, constructing, procuring and installing the applicable portion of Transmission Provider's Interconnection Facilities, Network Upgrades, and/or Distribution Upgrades and shall be reduced on a dollar-for-dollar basis for payments made to Transmission Provider for these purposes.

In addition:

**11.5.1** The guarantee must be made by an entity that meets the creditworthiness requirements of Transmission Provider, and contain terms and conditions that guarantee payment of any amount that may be due from Interconnection Customer, up to an agreed-to maximum amount.

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

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

**11.6 Interconnection Customer Compensation.** If Transmission Provider requests or directs Interconnection Customer to provide a service pursuant to Articles 9.6.3 (Payment for Reactive Power) or 13.5.1 (Emergency Condition) of this LGIA, Transmission Provider shall compensate Interconnection Customer in accordance with Interconnection Customer's applicable rate schedule then in effect unless the provision of such service(s) is subject to an RTO or ISO FERC-approved rate schedule. Interconnection Customer shall serve Transmission Provider or RTO or ISO with any filing of a proposed rate schedule at the time of such filing with FERC. To the extent that no rate schedule is in effect at the time the Interconnection Customer is required to provide or absorb any Reactive Power under this LGIA, Transmission Provider agrees to compensate Interconnection Customer in such amount as would have been due Interconnection Customer had the rate schedule been in effect at the time service commenced; provided, however, that such rate schedule must be filed at FERC or other appropriate Governmental Authority within sixty (60) Calendar Days of the commencement of service subject to any refund or modification if contested by Transmission Provider.

**11.6.1 Interconnection Customer Compensation for Actions During Emergency Condition.** Transmission Provider or RTO or ISO shall compensate Interconnection Customer for its provision of real and reactive power and other Emergency Condition services that Interconnection Customer provides to support the Transmission System during an Emergency Condition in accordance with Article 11.6.

## Article 12. Invoice

**12.1 General.** Each Party shall submit to the other Party, on a monthly basis, invoices of amounts due for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. The Parties may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts a Party owes to the other Party under this LGIA 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 Transmission Provider's Interconnection Facilities and the Network Upgrades, Transmission Provider shall provide an invoice of the final cost of the construction of Transmission Provider's Interconnection Facilities and the Network Upgrades and shall set forth such costs in sufficient detail to enable Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Transmission Provider shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice.

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

**12.4 Disputes.** In the event of a billing dispute between Transmission Provider and Interconnection Customer, Transmission Provider shall continue to provide Interconnection Service under this LGIA as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Transmission Provider or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute; provided however, if Interconnection Customer opts to utilize an escrow account Interconnection Customer shall be responsible for all administrative and financial obligations associated with setting up and maintaining the independent escrow account until resolution of the dispute without any involvement of or reimbursement by Transmission Provider. If

Interconnection Customer fails to meet these two requirements for continuation of Interconnection Service, then Transmission Provider may provide notice to Interconnection Customer of a Default pursuant to Article 17. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due.

### **Article 13. Emergencies**

- 13.1 Definition.** "Emergency Condition" shall mean a condition or situation: (i) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (ii) that, in the case of Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, reliability of, or damage to the Transmission System, Transmission Provider's Interconnection Facilities or the Transmission Systems of others to which the Transmission System is directly connected; or (iii) that, in the case of Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Large Generating Facility or Interconnection Customer's Interconnection Facilities' System wherein restoration and black start shall be considered Emergency Conditions; provided that, Interconnection Customer is not obligated by this LGIA to possess black start capability.
- 13.2 Obligations.** Each Party shall comply with the Emergency Condition procedures of the applicable ISO/RTO, NERC, the Applicable Reliability Council, Applicable Laws and Regulations, and any emergency procedures agreed to by the Joint Operating Committee.
- 13.3 Notice.** Transmission Provider shall notify Interconnection Customer promptly when it becomes aware of an Emergency Condition that affects Transmission Provider's Interconnection Facilities or the Transmission System that may reasonably be expected to affect Interconnection Customer's operation of the Large Generating Facility or Interconnection Customer's Interconnection Facilities. Interconnection Customer shall notify Transmission Provider promptly when it becomes aware of an Emergency Condition that affects the Large Generating Facility or Interconnection Customer's Interconnection Facilities that may reasonably be expected to affect the Transmission System or Transmission Provider's Interconnection Facilities. To the extent information is known, the notification shall describe the Emergency Condition, the extent of the damage or deficiency, the expected effect on the operation of Interconnection Customer's or Transmission Provider's facilities and operations, its anticipated duration and the

corrective action taken or to be taken. The initial notice shall be followed as soon as practicable with written notice.

**13.4 Immediate Action.** Unless, in Interconnection Customer's reasonable judgment, immediate action is required, Interconnection Customer shall obtain the consent of Transmission Provider, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Large Generating Facility or Interconnection Customer's Interconnection Facilities in response to an Emergency Condition either declared by Transmission Provider or otherwise regarding the Transmission System.

**13.5 Transmission Provider Authority.**

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

Transmission Provider shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Large Generating Facility or Interconnection Customer's Interconnection Facilities.

Transmission Provider may, on the basis of technical considerations, require the Large Generating Facility to mitigate an Emergency Condition by taking actions necessary and limited in scope to remedy the Emergency Condition, including, but not limited to, directing Interconnection Customer to shut-down, start-up, increase or decrease the real or reactive power output of the Large Generating Facility; implementing a reduction or disconnection pursuant to Article 13.5.2; directing Interconnection Customer to assist with blackstart (if available) or restoration efforts; or altering the outage schedules of the Large Generating Facility and Interconnection Customer's Interconnection Facilities. Interconnection Customer shall comply with all of Transmission Provider'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.

**13.5.2 Reduction and Disconnection.** Transmission Provider may reduce Interconnection Service or disconnect the Large Generating Facility or Interconnection Customer's Interconnection Facilities, when such, reduction or disconnection is necessary under Good Utility Practice due to Emergency Conditions. These rights are separate and distinct from any right of curtailment of Transmission Provider pursuant to Transmission Provider's Tariff. When Transmission Provider can schedule the reduction or disconnection in advance, Transmission Provider shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. Transmission Provider shall coordinate with Interconnection Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Interconnection Customer and Transmission Provider. Any reduction or disconnection shall continue only for so long as reasonably necessary under Good Utility Practice. The Parties shall cooperate with each other to restore the Large Generating Facility, the Interconnection Facilities, and the Transmission System to their normal operating state as soon as practicable consistent with Good Utility Practice.

**13.6 Interconnection Customer Authority.** Consistent with Good Utility Practice, NERC Reliability Standards, and the LGIA, Interconnection Customer may take actions or inactions with regard to the Large Generating Facility or Interconnection Customer's Interconnection Facilities during an Emergency Condition in order to (i) preserve public health and safety, (ii) preserve the reliability of the Large Generating Facility or Interconnection Customer's Interconnection Facilities, (iii) limit or prevent property damage, and (iv) expedite restoration of service. Interconnection Customer shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Transmission System and Transmission Provider's Interconnection Facilities. Transmission Provider shall use Reasonable Efforts to assist Interconnection Customer in its efforts.

**13.7 Limited Liability.** Except as otherwise provided in Article 11.6.1 of this LGIA, neither Party shall be liable to the other Party for any action or inaction it takes in responding to an Emergency Condition so long as such action or inaction is made in good faith and is consistent with Good Utility Practice.

#### **Article 14. Regulatory Requirements and Governing Law**



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

**14.2 Governing Law.**

**14.2.1** The validity, interpretation and performance of this LGIA and each of its provisions shall be governed by and enforced in accordance with the laws of the State of California, as if executed and to be performed wholly within the State of California.

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

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

- 15.2 Billings and Payments.** Billings and payments shall be sent to the addresses set out in Appendix F.
- 15.3 Alternative Forms of Notice.** Any notice or request required or permitted to be given by a Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or email to the telephone numbers and email addresses set out in Appendix F.
- 15.4 Operations and Maintenance Notice .** Each Party shall notify the other Party in writing of the identity of the person(s) that it designates as the point(s) of contact with respect to the implementation of Articles 9 and 10.

## **Article 16. Force Majeure**

### **16.1 Force Majeure.**

**16.1.1** A Party shall not be considered to be in Default in the performance of any of its obligations under this Agreement when and to the extent such Party's performance is prevented by a Force Majeure that, despite the exercise of due diligence (which does not require the affected Party to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance), such Party is unable to prevent, mitigate, or fulfill any obligation hereunder (other than an obligation to pay money when due) and provides immediate notice as soon as reasonably possible of the Force Majeure to the other Party after becoming aware thereof ("Force Majeure Immediate Notice"), subject to the additional requirement of a Force Majeure Written Notice set forth in Article 16.1.2.

**16.1.2** A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall the Force Majeure Immediate Notice pursuant to Article 16.1.1 and shall further provide a written detailed description of the full particulars of such Force Majeure to the other Party no later than thirty (30) calendar days after the initial occurrence of the claimed Force Majeure ("Force Majeure Written Notice"), which such notice shall include information with respect to the nature, cause and date and time of commencement of such event, and the anticipated scope and duration of the delay. The affected Party that timely

provides both the Force Majeure Immediate Notice and the Force Majeure Written Notice shall be excused from fulfilling its obligations under this Agreement until such time as the Force Majeure has ceased to prevent performance or other remedial action is taken, at which time the Party shall promptly notify the other Party of the resumption of its obligations under this Agreement. If, after satisfying the notice requirements set for above, the unaffected Party reasonably concludes that a Force Majeure or its impact on the affected Party or any facility including the Transmission System will continue (i) for a period of 180 or more consecutive calendar days, or (ii) for an aggregate period of 270 or more non-consecutive calendar days in the case of any claimed Force Majeure event or series of claimed Force Majeure events, the unaffected Party shall have the right to terminate this Agreement effective upon notice to the affected Party.

## **Article 17. Default**

### **17.1 Default**

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

**17.1.2 Right to Terminate.** If any Breach is not cured as provided in Article 17.1.1, or if a Breach is not capable of being cured within the period provided for therein, the non-Breaching Party shall have the right to declare a Default and terminate this LGIA by written notice, and shall be relieved of any further obligation hereunder and, the

non-Breaching Party shall have the right to recover from the Breaching Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this LGIA.

**17.1.3 Suspension**

If the non-Breaching Party, within its sole discretion, chooses not to immediately exercise its right under Article 17.1.2, the non-Breaching Party may provide written notice to the Breaching Party of its intent to elect to suspend this Agreement for a date certain ("Notice of Suspension"), which such notice shall not to exceed one hundred eighty (180) Calendar Days from the date of its issuance ("Suspension Period"). Suspension of this Agreement shall remain in effect from the date that the non-Breaching Party issued the Notice of Suspension until the earlier of: (i) the Breaching Party's cure of its Breach; or (ii) the expiration of the Suspension Period. If the Breaching Party failed to cure the Breach prior to the expiration of the Suspension Period, the non-Breaching Party shall immediately invoke the provisions of Article 17.1.2.

**Article 18. Indemnity, Consequential Damages and Insurance**

**18.1 Indemnity.** The Parties shall at all times indemnify, defend, and hold harmless the other Parties, their respective officials (elected or appointed), Boards, officers, managers, agents, employees, assigns and successors in interest, from and against any and all suits, causes of action, claims, charges, damages, demands, judgments, civil fines, penalties, costs and expenses (including, without limitation, reasonable attorneys' fees and costs of experts and consultants), or losses of any kind or nature whatsoever including, without limitation, business interruption, impairment of contract, death, bodily injury or personal injury to any person, damage or destruction or loss of use to or of any property (financial, physical, or intellectual) by or to third parties (collectively, "Losses") arising by reason of or incident to or directly or indirectly related to the other Party's acts, errors or omissions, performance or non-performance or Breach of any of their obligations of or under this LGIA, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

**18.2 Consequential Damages.** In no event shall either Party be liable under any provision of this LGIA 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, business interruption, 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.

### **18.3 Insurance – Applicable Terms and Conditions**

#### **18.3.1 Additional Insured Status Required**

Interconnection Customer shall procure at its own expense, and keep in effect at all times during the term of this Agreement, the types and amounts of insurance specified on the attached Contract Insurance Requirements page. The specified insurance shall also, either by provisions in the policies, by City's own endorsement form or by other endorsement attached to such policies, be in a form acceptable to the Risk Manager of Transmission Provider (hereinafter referred to as "Risk Manager") and the Office of City Attorney, include and insure City, Transmission Provider, its Board of Commissioners (hereinafter referred to as "Board"), and all of its officers, employees and agents, their successors and assigns, as Additional Insureds (except for Workers' Compensation), against the area of risk described herein as respects Interconnection Customer's acts or omissions in its performance of the agreement, hereunder or other related functions performed by or on behalf of Interconnection Customer. Acceptance of the submitted evidence of insurance shall not be unreasonably withheld. Such insurance shall not limit or qualify the liabilities and obligations of the Interconnection Customer assumed under the contract.

#### **18.3.2 Severability of Interests and Cross Liability Required**

Each specified insurance policy (other than Workers' Compensation and Employers' Liability and Property coverages) shall contain a Severability of Interest and Cross Liability clause which states in effect, "It is agreed that the insurance afforded by this policy shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability," and a Contractual Liability Endorsement which shall state in effect, "Such insurance as is afforded by this policy shall also apply to liability assumed by the insured under this Agreement with the City of Los Angeles."

#### **18.3.3 Primary and Non-Contributory Insurance Required**

All such insurance shall be Primary and Noncontributing with any other insurance held by Transmission Provider where liability arises out of or results from the acts or omissions of Interconnection Customer, its agents, employees, officers, assigns, or any person or entity acting for or on behalf of Interconnection Customer. Any insurance carried by Transmission Provider which may be applicable shall be deemed to be excess insurance and the Interconnection Customer's insurance is primary for all purposes despite any conflicting provision in the Interconnection Customer's policies to the contrary.

**18.3.4 Deductibles Subject to Transmission Provider's Discretion**  
Deductibles and/or self-insured retentions shall be at the sole discretion of the Risk Manager. The Transmission Provider shall have no liability for any premiums charged for such coverage(s). The inclusion of the Transmission Provider, its Board, and all of its officers, employees and agents, and their agents and assigns, as additional insureds, is not intended to, and shall not, make them, or any of them a partner or joint venturer with Interconnection Customer in its operations.

**18.3.5 Proof of Insurance for Renewal or Extension Required**  
At least thirty (30) days after to the expiration date of any of the policies required on the attached Contract Requirement page, documentation showing that the insurance coverage has been renewed or extended shall be filed with the Transmission Provider. If such coverage is canceled or reduced in coverage, Interconnection Customer shall, within fifteen (15) days of such cancellation or reduction of coverage, file with Transmission Provider evidence that the required insurance has been reinstated or provided through another insurance company or companies.

**18.3.6 Submission of Acceptable Proof of Insurance and Notice of Cancellation**  
Interconnection Customer shall provide proof to the Risk Manager of all specified insurance and related requirements either by production of the actual insurance policy(ies), by use of Transmission Provider's own endorsement form(s), or by other written evidence of insurance acceptable to the Risk Manager, but always in a form acceptable to the Risk Manager and the Office of the City Attorney. Acceptance of the submitted evidence of

insurance shall not be unreasonably withheld. The documents evidencing all specified coverages shall be filed with Transmission Provider prior to Interconnection Customer beginning operations hereunder. Said proof shall contain at a minimum, the applicable policy number, the inclusive dates of policy coverages, the date the protection begins for Transmission Provider, and the insurance carrier's name. It shall bear an original signature of an authorized representative of said carrier, and shall provide that such insurance shall not be subject to cancellation, material reduction in coverage or non-renewal except after written notice by certified mail, return receipt requested, to the City Attorney of the City of Los Angeles at least thirty (30) calendar days prior to the effective date thereof. Seller may provide the required notice consistent with the time frame specified herein. The notification shall be sent by registered mail to: Risk Management Section, L.A. Water and Power, Post Office Box 51111, JFB Room 465, Los Angeles, California 90051-0100.

**18.3.7**

**Claims-Made Insurance Conditions**

Should any portion of the required insurance be on a "Claims Made" policy, the Interconnection Customer shall, at the policy expiration date following completion of work, provide evidence that the "Claims Made" policy has been renewed or replaced with the same limits, terms and conditions of the expiring policy, or that an extended three (3) years discovery period has been purchased on the expiring policy at least for the contract under which the work was performed.

**18.3.8**

**Failure to Maintain and Provide as Cause for Termination**

Failure to maintain and provide acceptable evidence of the required insurance for the required period of coverage shall constitute a breach of contract, upon which Transmission Provider may immediately terminate or suspend the agreement.

**18.3.9**

**Periodic Right to Review/Update Insurance Requirements**

The Transmission Provider and Interconnection Customer agree that the insurance policy limits specified on the attached Contract Insurance Requirements page may be reviewed for adequacy annually throughout the term of this Agreement by the Risk Manager/City Attorney, who may thereafter require Interconnection Customer to adjust the amounts and types of insurance coverage

however the Risk Manager/City Attorney deems to be adequate and necessary. Transmission Provider reserves the right to have submitted to it, upon request, all pertinent information about the agent and carrier providing such insurance, including applicable license and ratings.

**18.3.10 Specific Insurance Requirements**

See Attachment "Contract Insurance Requirements"

**18.3.11 Limitation of Liability and Release**

TRANSMISSION PROVIDER SHALL NOT BE LIABLE TO INTERCONNECTION CUSTOMER UNDER ANY CIRCUMSTANCES, UNDER ANY THEORY OF LIABILITY AT LAW OR IN EQUITY, WHETHER SUCH LIABILITY IS KNOWN OR UNKNOWN AT THE TIME OF SIGNING THIS AGREEMENT, OR ANY TIME THEREAFTER, FOR ANY DEATH, BODILY INJURY, AND LOSS OF USE OR DAMAGE OR DESTRUCTION OF ANY PROPERTY OR ANY BUSINESS INTERRUPTION, TO A THIRD PARTY OR TO INTERCONNECTION CUSTOMER.

INTERCONNECTION CUSTOMER DOES SO HEREBY ACKNOWLEDGE THAT IT HAS READ AND COMPREHENDED THE FOLLOWING PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 (OR ITS SUCCESSOR STATUTE) WHICH PROVIDES:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

BEING AWARE OF SAID CODE SECTION,  
INTERCONNECTION CUSTOMER HEREBY EXPRESSLY



WAIVES ANY RIGHTS IT MAY HAVE THEREUNDER, AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT.

**18.3.12 Reporting**

The Parties agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this LGIA.

**Article 19. Assignment**

**19.1 Assignment.** This LGIA may be assigned by either Party only with the prior written consent of the other; provided that, either Party may assign this LGIA to any Affiliate of the assigning Party with an equal or better credit rating or profile and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this LGIA; and provided further that Interconnection Customer shall have the right to assign this LGIA, without the written consent of Transmission Provider, for collateral security purposes to aid in providing financing for the Large Generating Facility, provided that Interconnection Customer will promptly notify Transmission Provider of any such assignment. Any financing arrangement entered into by Interconnection Customer pursuant to this article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify Transmission Provider of the date and particulars of any such exercise of assignment right(s), including providing the Transmission Provider with proof that it meets the requirements of Articles 11.5 and 18.3. Any attempted assignment that violates this article is void and ineffective. Any assignment under this LGIA 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, prior written consent to assignment will not be unreasonably withheld, conditioned or delayed. The General Manager of DWP, and/or his/her designee, is authorized to grant the consents contemplated by this Section 19.1 on behalf of LADWP.

**Article 20. Severability**

**20.1 Severability.** If any provision in this LGIA 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 LGIA; provided that if Interconnection Customer (or any third party, but only if such third party is not acting at the direction of Transmission Provider) seeks and obtains such a final determination with respect to any provision of the Negotiated Option (Article 5.1.4), then none of these provisions shall thereafter have any force or effect and the Parties' rights and obligations shall be governed solely by the Standard Option (Article 5.1.1).

## **Article 21. Comparability**

**21.1 Comparability.** The Interconnection Customer, if required, will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

## **Article 22. Confidentiality**

**22.1 Confidentiality.** Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by either of the Parties to the other prior to the execution of this LGIA.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

If requested by either Party, the other Party shall provide in writing, the basis for asserting that the information referred to in this Article 22 warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

**22.1.1 Term.** During the term of this LGIA, and for a period of three (3) years after the expiration or termination of this LGIA, except as otherwise provided in this Article 22, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

**22.1.2** **Scope.** Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this LGIA; or (6) is required, in accordance with Article 22.1.7 of the LGIA, 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 LGIA. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

**22.1.3** **Release of Confidential Information.** Neither Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), subcontractors, employees, consultants, or to parties who may be or considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of Interconnection Customer, on a need-to-know basis in connection with this LGIA, unless such person has first been advised of the confidentiality provisions of this Article 22 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Article 22.

**22.1.4** **Rights.** Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other Party of Confidential Information shall not be deemed a waiver by either Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

- 22.1.5**      **No Warranties.** By providing Confidential Information, neither Party makes any warranties or representations as to its accuracy, reliability, or completeness, unless otherwise stated. In addition, by supplying Confidential Information, neither Party obligates itself to provide any particular information or Confidential Information to the other Party nor to enter into any further agreements or proceed with any other relationship or joint venture.
- 22.1.6**      **Standard of Care.** Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Party under this LGIA or its applicable regulatory requirements.
- 22.1.7**      **Order of Disclosure.** If a court or a Governmental Authority or entity with the right, power, and apparent authority to do so requests or requires either Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Party with prompt notice of such request(s) or requirement(s) so that the other Party may seek an appropriate protective order or waive compliance with the terms of this LGIA. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.
- 22.1.8**      **Termination of Agreement.** Upon termination of this LGIA for any reason, each Party shall, within thirty (30) Calendar Days of receipt of a written request from the other Party, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.
- 22.1.9**      **Remedies.** The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's Breach of its

obligations under this Article 22. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Article 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Article 22, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Article 22.

**22.1.10 Disclosure to FERC, its Staff, or a State.** Notwithstanding anything in this Article 22 to the contrary, and pursuant to 18 CFR section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this LGIA, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 CFR section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party to this LGIA prior to the release of the Confidential Information to FERC or its staff. The Party shall notify the other Party to the LGIA when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time either of the Parties may respond before such information would be made public, pursuant to 18 CFR section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations.

**22.1.11 Permitted Disclosures of Confidential Information**  
Subject to the exception in Article 22.1.10, any Confidential Information that a Party claims contains competitively sensitive, commercial or financial information under this LGIA shall not be

disclosed by the other Party to any person who is not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this LGIA or as a transmission service provider or a Balancing Authority including disclosing the Confidential Information to an RTO or ISO or to a subregional, regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

**22.1.12**

**CPRA, Brown Act and NERC/WECC Requirements**

In addition to the foregoing provisions under this Article 22, Interconnection Customer acknowledges that Transmission Provider is subject to disclosure as required by the California Public Records Act, Cal. Govt. Code §§6250 et seq. ("CPRA") and the Ralph M. Brown Act, Cal. Govt. Code §§ 54950 *et. seq.* ("Brown Act") as well as certain data sharing requirements imposed by NERC and WECC. Any data sharing with NERC or WECC shall be made pursuant to the requirements imposed by NERC and WECC and any applicable data sharing or confidentiality agreements. Requests for information made directly to Transmission Provider pursuant to CPRA will be managed in a similar manner identified within Article 22.1.11. For purposes of the Brown Act, the Parties shall adhere to the provisions of Article 22.1 to maintain confidentiality.

**Article 23. Environmental Releases**

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

#### **Article 24. Information Requirements**

**24.1 Information Acquisition.** Transmission Provider and Interconnection Customer shall submit specific information regarding the electrical characteristics of their respective facilities to each other as described below and in accordance with Applicable Reliability Standards. Transmission Provider and Interconnection Customer shall designate and mark any materials determined to be CEII.

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

**24.3 Updated Information Submission by Interconnection Customer.** All updated information submission by Interconnection Customer, including manufacturer information and any revision to the Large Generating Facility data requirements contained in Appendix 1 to the LGIP, shall occur no later than one hundred eighty (180) Calendar Days prior to the Trial Operation. Additionally, such updated information submission shall include any additional information provided to Transmission Provider for the Interconnection Studies. 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 Transmission Provider standard models. If there is no compatible model, Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If Interconnection Customer's data is materially different from what was originally provided to Transmission Provider pursuant to the Interconnection Study agreement between Transmission Provider and Interconnection Customer, then Transmission Provider will conduct appropriate studies, at Interconnection Customer's expense, to determine the impact on Transmission Provider's Transmission System based on the actual data submitted pursuant to this Article 24.3. The Interconnection Customer shall not begin Trial Operation until such study(ies) is/are completed and any subsequent mitigation, as determined from the study result(s), is implemented.

**24.4 Information Supplementation.** Prior to the Commercial Operation Date, the Parties shall supplement their information submissions described above in this Article 24 with any and all "as-built" 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 Interconnection Customer 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. Interconnection Customer 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 by or on behalf of Interconnection Customer and such results shall be provided to Transmission Provider for each individual generating unit in a station.

Subsequent to the Commercial Operation Date, Interconnection Customer shall provide Transmission Provider any information changes due to equipment



replacement, repair, or adjustment. Transmission Provider shall provide Interconnection Customer with any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Transmission Provider-owned substation that may affect Interconnection Customer's Interconnection Facilities equipment ratings, protection or operating requirements. Each Party is obligated to provide the above information to the other no later than thirty (30) Calendar Days after the date of any repair or adjustment has been completed or any equipment replacement has been placed into service.

## **Article 25. Information Access and Audit Rights**

- 25.1 Information Access.** Each Party (the "disclosing Party") shall make available to the other Party information that is in the exclusive possession of the disclosing Party and is necessary in order for the other Party to: (i) verify the costs incurred by the disclosing Party for which the other Party is responsible under this LGIA; and (ii) carry out its obligations and responsibilities under this LGIA. The Parties shall not use such information for purposes other than those set forth in this Article 25.1 and to enforce their rights under this LGIA.
- 25.2 Reporting of Non-Force Majeure Events.** Each Party (the "notifying Party") shall notify the other Party when the notifying Party becomes aware of its inability to comply with the provisions of this LGIA 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 LGIA.
- 25.3 Audit Rights.** Subject to the requirements of confidentiality under Article 22 of this LGIA, each Party shall have the right, during normal business hours, and upon prior reasonable notice to the other Party, to audit at its own expense the other Party's accounts and records pertaining to either Party's performance or either Party's satisfaction of obligations under this LGIA. Such audit rights shall include audits of the other Party's costs, calculation of invoiced amounts, Transmission Provider's efforts to allocate responsibility for the provision of reactive support to the Transmission System, Transmission Provider's efforts to allocate responsibility for interruption or reduction of generation on the Transmission System, and each

Party's actions in an Emergency Condition. Any audit authorized by this article shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that relate to each Party's performance and satisfaction of obligations under this LGIA. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 25.4.

#### **25.4 Audit Rights Periods.**

**25.4.1 Audit Rights Period for Construction-Related Accounts and Records.** Accounts and records related to the design, engineering, procurement, and construction of Transmission Provider's Interconnection Facilities and Network Upgrades shall be subject to audit for a period of twenty-four months following Transmission Provider's issuance of a final invoice in accordance with Article 12.2.

**25.4.2 Audit Rights Period for All Other Accounts and Records.** Accounts and records related to either Party's performance or satisfaction of all obligations under this LGIA other than those described in Article 25.4.1 shall be subject to audit as follows: (i) for an audit relating to cost obligations, the applicable audit rights period shall transpire within 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 transpire within 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 LGIA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this LGIA; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this LGIA in providing such

services and each Party shall remain primarily liable to the other Party for the performance of such subcontractor.

**26.2 Responsibility of Principal.** The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this LGIA. The hiring Party shall be fully responsible to the other Party for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; provided, however, that in no event shall Transmission Provider be liable for the actions or inactions of Interconnection Customer or its subcontractors with respect to obligations of Interconnection Customer under Article 5 of this LGIA. Any applicable obligation imposed by this LGIA 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 either Party has a dispute, or asserts a claim, that arises out of or in connection with this LGIA or its performance, such Party (the "disputing Party") shall provide the other Party with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Party. 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 Party's receipt of the Notice of Dispute, such claim or dispute may, upon mutual written 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 claim or 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 LGIA; provide that, any dispute arising out of or relating to this LGIA shall be brought in a state or federal court in the County of Los Angeles in the State of California. Each Party irrevocably agrees to submit to the exclusive jurisdiction of such courts in the State of California and waive any defense of *forum non conveniens*.

**27.2 External Arbitration Procedures.** Any arbitration initiated under this LGIA 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 two arbitrators so chosen shall within twenty (20) Calendar Days select a third arbitrator to chair the arbitration panel. In either 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"); 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 LGIA and shall have no power to modify or change any provision of this Agreement 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.

**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 and one half of the cost of the third arbitrator chosen; or (2) one half the cost of the single arbitrator jointly chosen by the Parties.

## **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,

Interconnection Facilities and Network Upgrades owned by such Party, as applicable, are located; and that it has legal power and authority to own its properties, to carry on its business as now being conducted and to enter into this LGIA 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 LGIA.

- 28.1.2 Authority.** Such Party has the right, power and authority to enter into this LGIA, to become a Party hereto and to perform its obligations hereunder. This LGIA 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 LGIA does not violate or conflict with any law, organizational or formation documents, or bylaws, charter 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 LGIA 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 LGIA, and it will provide to any Governmental Authority notice of any actions under this LGIA that are required by Applicable Laws and Regulations.

## **Article 29. Joint Operating Committee**

- 29.1 Joint Operating Committee.** Except in the case of ISOs and RTOs, Transmission Provider shall constitute a Joint Operating Committee to coordinate operating and technical considerations of Interconnection Service. At least six (6) months prior to the expected Initial Synchronization Date, Interconnection Customer and Transmission Provider shall each appoint one representative and

one alternate to the Joint Operating Committee. Interconnection Customer shall notify Transmission Provider of its appointment in writing. Such appointments may be changed at any time by similar notice. The Joint Operating Committee shall meet as necessary, but not less than once each calendar year, to carry out the duties set forth herein. The Joint Operating Committee shall hold a meeting at the request of either Party, at a time and place agreed upon by the representatives. The Joint Operating Committee shall perform all of its duties consistent with the provisions of this LGIA. Each Party shall cooperate in providing to the Joint Operating Committee all information required in the performance of the Joint Operating Committee's duties. All decisions and agreements, if any, made by the Joint Operating Committee, shall be evidenced in writing. The duties of the Joint Operating Committee shall include the following:

- 29.1.1 Establish data requirements and operating record requirements.
- 29.1.2 Review the requirements, standards, and procedures for data acquisition equipment, protective equipment, and any other equipment or software.
- 29.1.3 Annually review the one (1) year forecast of maintenance and planned outage schedules of Transmission Provider's and Interconnection Customer's facilities at the Point of Interconnection.
- 29.1.4 Coordinate the scheduling of maintenance and planned outages on the Interconnection Facilities, the Large Generating Facility and other facilities that impact the normal operation of the interconnection of the Large Generating Facility to the Transmission System.
- 29.1.5 Ensure that information is being provided by each Party regarding equipment availability.
- 29.1.6 Perform such other duties as may be conferred upon it by mutual agreement of the Parties.

## **Article 30. Miscellaneous**

- 30.1 **Binding Effect.** This LGIA and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

- 30.2 Conflicts.** In the event of a conflict between the body of this LGIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this LGIA shall prevail and be deemed the final intent of the Parties.
- 30.3 Rules of Interpretation.** This LGIA, 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 LGIA, 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 LGIA), 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 LGIA or such Appendix to this LGIA, or such Section to the LGIP or such Appendix to the LGIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this LGIA as a whole and not to any particular Article or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".
- 30.4 Entire Agreement.** This LGIA, 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 LGIA. 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 LGIA.
- 30.5 No Third Party Beneficiaries.** This LGIA is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

**30.6 Waiver.** The failure of a Party to this LGIA to insist, on any occasion, upon strict performance of any provision of this LGIA 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 LGIA 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 LGIA. Termination or Default of this LGIA for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain a future interconnection from Transmission Provider. Any waiver of this LGIA shall, if requested, be provided in writing.

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

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

**30.9 Amendment.** Expressly excepting any updates made to Appendix F, the Parties may by mutual agreement amend this LGIA by a written instrument duly executed by the Parties.

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

**30.11 Reserved.**

**30.12 No Partnership.** This LGIA shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.



**30.13 Severability.** If any part, term or provision of this LGIA is determined to be invalid, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this LGIA, such determination shall be limited to those specific parts, terms or provisions and shall not affect the enforceability or validity of any other provision hereof, which shall remain in full force and effect.

[The remainder of this page was intentionally left blank]

**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.

**DEPARTMENT OF WATER AND POWER OF THE CITY OF LOS ANGELES**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**[Insert name of Interconnection Customer]**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Appendix A to LGIA**

**Interconnection Facilities, Network Upgrades and Distribution Upgrades**

**1. Interconnection Facilities:**

**(a) [insert Interconnection Customer's Interconnection Facilities]:**

**(b) [insert Transmission Provider's Interconnection Facilities]:**

**2. Network Upgrades:**

**(a) [insert Stand Alone Network Upgrades]:**

**(b) [insert Other Network Upgrades]:**

**3. Distribution Upgrades:**

**Appendix B to LGIA**

**Milestones**

**Appendix C to LGIA**  
**Interconnection Details**

[To be developed by Transmission Provider]

## **Appendix D to LGIA**

### **Security Arrangements Details**

Infrastructure security of Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day Transmission System reliability and operational security. There is an expectation that all Transmission Providers, market participants, and Interconnection Customers interconnected to the Transmission System will comply with the best practices utilized in the electric reliability authority. Each Party will be expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

**Appendix E to LGIA**

**Commercial Operation Date**

This Appendix E is a part of the LGIA between Transmission Provider and Interconnection Customer.

**[Date]**

**[Transmission Provider Address]**

Re: \_\_\_\_\_ Large Generating Facility

Dear \_\_\_\_\_:

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

Thank you.

**[Signature]**

**[Interconnection Customer Representative]**

## Appendix F to LGIA

### Addresses for Delivery of Notices and Billings

#### Notices:

Transmission Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

#### Billings and Payments:

Transmission Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

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

Transmission Provider:

[To be supplied.]

Interconnection Customer:

[To be supplied.]



## Appendix G to LGIA

### 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.

All wind generating plants subject to FERC Order No. 661 must meet the following requirements:

1. Wind generating plants are required to remain in-service during three-phase faults with normal clearing (which is a time period of approximately 4 – 9 cycles) and single line to ground faults with delayed clearing, and subsequent post-fault voltage recovery to prefault voltage unless clearing the fault effectively disconnects the generator from the system. The clearing time requirement for a three-phase fault will be specific to the wind generating plant substation location, as determined by and documented by the transmission provider. The maximum clearing time the wind generating plant shall be required to withstand for a three-

phase fault shall be 9 cycles after which, if the fault remains following the location-specific normal clearing time for three-phase faults, the wind generating plant may disconnect from the transmission system. A wind generating plant shall remain interconnected during such a fault on the transmission system for a voltage level as low as zero volts, as measured at the high voltage side of the wind generator step-up transformer (“GSU”).

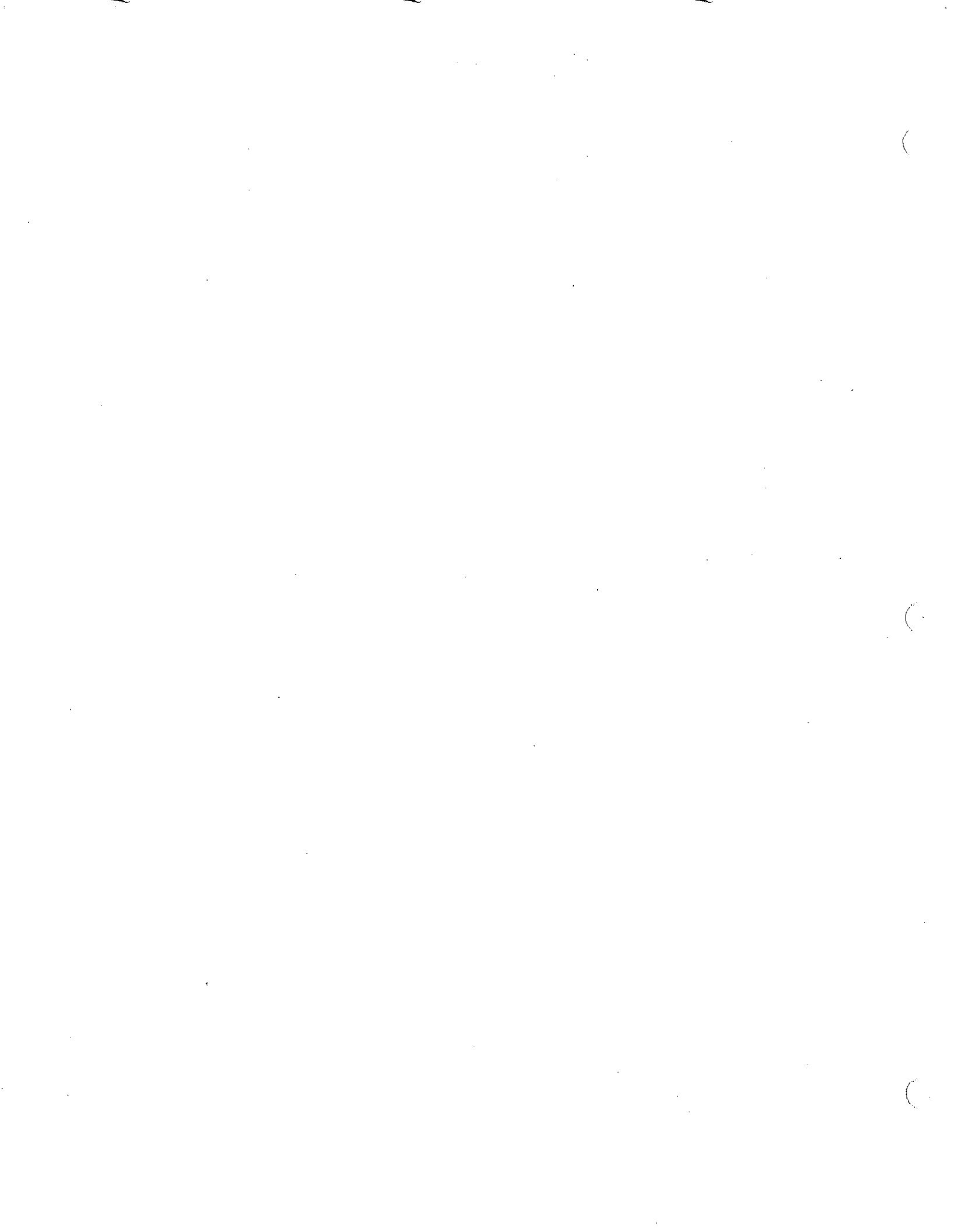
2. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU.
3. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.
4. Wind generating plants may meet the LVRT 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 before January 1, 2006 are exempt from meeting the Appendix G LVRT Standard for the remaining life of the existing generation equipment, unless the generation equipment of those individual generator units are replaced then the replaced equipment must 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 Transmission Provider's System Impact Study shows that such a requirement is necessary to ensure safety or reliability. The power factor range standard can be met by using, for example, power electronics designed to supply this level of reactive capability 606 (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors if agreed to by the Transmission Provider, or a combination of the two. The Interconnection Customer shall not disable power factor equipment while the wind plant is in operation. Wind plants shall also be able to provide sufficient dynamic voltage support in lieu of the power system stabilizer and automatic voltage regulation at the generator excitation system if the System Impact Study shows this to be required for system safety or reliability.

**iii. Supervisory Control and Data Acquisition (SCADA) Capability**

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



## APPENDIX 7 TO LGIP

### INTERCONNECTION PROCEDURES FOR A WIND GENERATING PLANT OR SOLAR GENERATING PLANT

This appendix sets forth procedures specific to a wind generating plant or to a solar generating plant. All other requirements of this LGIP continue to apply to interconnections of a wind generating plant or solar generating plant.

#### A. Special Procedures Applicable to Wind Generators

The wind plant Interconnection Customer, in completing the Interconnection Request required by section 3.3 of this LGIP, may provide to the Transmission Provider 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 LGIP.

No later than six months after submitting an Interconnection Request completed in this manner, the wind plant Interconnection Customer must submit completed detailed electrical design specifications and other data (including collector system layout data) needed to allow the Transmission Provider to complete the System Impact Study.

**B. Special Procedures Applicable to Solar Power Generation**

The solar plant Interconnection Customer, in completing the Interconnection Request required by section 3.3 of this LGIP, may provide to the Transmission Provider a set of preliminary electrical design specifications depicting the solar plant as a single equivalent inverter-based solar power generation in terms of its megawatt output (MW or real power). Upon satisfying these and other applicable Interconnection Request conditions, the solar power plant may enter the queue and receive the base case data as provided for in this LGIP.

No later than six months after submitting an Interconnection Request completed in this manner, the solar power plant Interconnection Customer must submit the following: (i) completed detailed electrical design specifications; (ii) a WECC approved standard study model (standard model) if available. If the standard model for a given solar generation technology is not yet available, then the Interconnection Customer can provide vendor-specific, user-written or an equivalent model with a source code algorithm in General Electric's Engineer Programming Control Language (EPCL) that can be compiled at run time by Power System Load Flow (PSLF) platform's internal compiler; however, once a standard model becomes available, the Interconnection Customer should begin furnishing such standard model; and (iii) other data (including collector system

layout data) needed to allow the Transmission Provider to complete the System Impact Study.

**Attachment A to Appendix 7  
Interconnection Data for  
Solar Photovoltaic Generating Plants**

**Solar Photovoltaic (PV) Specifications**

Technologies: \_\_\_Thin Film PV \_\_\_Monocrystalline PV \_\_\_Polycrystalline PV  
\_\_\_Other (Specify below)

\_\_\_\_\_

Manufacturer, Model Name, and Number \_\_\_\_\_  
Total Number of PV Panels \_\_\_\_\_  
Rated Maximum Power Output (kW) \_\_\_\_\_ Summer \_\_\_\_\_ Winter  
Nominal Voltage (DC) \_\_\_\_\_ V

**Inverter Specifications**

Manufacturer, Model Name, and  
Number \_\_\_\_\_  
Version Number \_\_\_\_\_  
Total Number of Inverters \_\_\_\_\_  
Voltage (DC) Input Range \_\_\_\_\_ V  
Maximum Voc (DC) \_\_\_\_\_ V  
Number of Phases \_\_\_\_\_  
AC Voltage Range \_\_\_\_\_ V  
Maximum Output Current per Phase \_\_\_\_\_ A  
Maximum Continuous Output Power \_\_\_\_\_ kW  
Nominal Output Frequency \_\_\_\_\_ Hz  
Power Factor \_\_\_\_\_  
Total Harmonic Distortion (THD) \_\_\_\_\_ %

**Isolation Transformer Specifications**



Low Side and High Side Voltages \_\_\_\_\_ / \_\_\_\_\_ kV  
 MVA Base \_\_\_\_\_ MVA                      Continuous Rating \_\_\_\_\_ MVA  
 Emergency Rating \_\_\_\_\_ MVA                      Reactance \_\_\_\_\_ % or \_\_\_\_\_ p.u  
 Transformer Connection \_\_\_\_\_                      Number of Transformers \_\_\_\_\_

**Equipment Certifications**

List the above components of the Solar Facility that are currently certified:

Equipment Type	Certifying Entity
1. _____	
2. _____	
3. _____	
_____	

**Certification and Standards**

1. IEEE Std 519-1992, IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems.
2. UL 1703 Standard for Safety, Flat-Plate Photovoltaic Modules and Panels
3. UL 1741 Standard for Inverters, Converters, and Controllers for Use in Independent Power Systems
4. IEEE Std 929-2000 IEEE Recommended Practice for Utility Interface of Photovoltaic (PV) Systems.

