

**Standard Oregon Qualifying Facility Large Generator
Interconnection Procedures (QF-LGIP)
(Applicable to Qualifying Facilities in Oregon that exceed 20 MW)**

TABLE OF APPENDICES

Appendix 1 - Interconnection Request for a Large Generating Facility

Appendix 2 - Cluster Study Agreement

Appendix 3 - Interconnection Facilities Study Agreement

Appendix 4 - Optional Interconnection Study Agreement

Appendix 5 - Standard Large Generator Interconnection Agreement

Appendix 6 - Interconnection Procedures for a Wind Generating Plant

Article 1. Definitions

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

Affected System shall mean an electric system other than 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.

Affected System Study shall mean the evaluation of Affected System Interconnection Customers' proposed interconnection(s) to a transmission system other than Transmission Provider's Transmission System that have an impact on Transmission Provider's Transmission System, as described in Article 3.5 of the QF-LGIP.

Affected System Study Report shall mean the report issued following completion of an Affected System Study.

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 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 Standards shall mean the requirements and guidelines of the Applicable Electric Reliability Organization, and the Balancing Authority Area of the Transmission System to which the Generating Facility is directly interconnected.

Balancing Authority shall mean an entity that integrates resource plans ahead of time, maintains demand and resource 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 Transmission Provider or Interconnection Customer.

Breach shall mean the failure of a Party to perform or observe any material term or condition of the QF-LGIA.

Breaching Party shall mean a Party that is in Breach of the QF-LGIA.

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

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

Cluster shall mean a group of one or more Interconnection Requests that are studied together for the purpose of conducting a Cluster Study.

Cluster Area shall mean the areas of Transmission Provider's Transmission System that are included together in a Cluster.

Cluster Request Window shall mean the time period set forth in Article 3.3.1 of this QF-LGIP.

Cluster Restudy shall mean a restudy of a Cluster Study conducted pursuant to Article 7.5 of the QF-LGIP.

Cluster Restudy Report shall mean the report issued following completion of a Cluster Restudy pursuant to Article 7.5 of this QF-LGIP.

Cluster Restudy Report Meeting shall mean the meeting held to discuss the results of a Cluster Restudy pursuant to Article 7.5 of this QF-LGIP.

Cluster Study shall mean the evaluation of one or more Interconnection Requests within a Cluster as described in Article 7 of the QF-LGIP.

Cluster Study Agreement shall mean the agreement contained in Appendix 2 to this QF-LGIP for conducting the Cluster Study.

Cluster Study Process shall mean the following processes, conducted in sequence: the Cluster Request Window; the Customer Engagement Window and Scoping Meetings therein; the Cluster Study; any needed Cluster Restudies; and the Interconnection Facilities Study.

Cluster Study Report shall mean the report issued following completion of a Cluster Study pursuant to Article 7 of this QF-LGIP.

Cluster Study Report Meeting shall mean the meeting held to discuss the results of a Cluster Study pursuant to Article 7 of this QF-LGIP.

Clustering shall mean the process whereby one or more Interconnection Requests are studied together, instead of serially, as described in Article 7 of the QF-LGIP.

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 QF-LGIA.

Commercial Readiness Deposit shall mean a deposit paid as set forth in Article 3.3.2, 7.5, and 8.1 of this QF-LGIP.

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

Contingent Facilities shall mean those unbuilt Interconnection Facilities and Network Upgrades upon which the Interconnection Request's costs, timing, and study findings are dependent, and if delayed or not built, could cause a need for restudies of the Interconnection Request or a reassessment of the Interconnection Facilities and/or Network Upgrades and/or costs and timing.

Customer Engagement Window shall mean the time period set forth in Article 3.3.5 of this QF-LGIP.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the QF-LGIA.

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.

Distribution System shall mean 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 Transmission Provider's Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Generating Facility. Distribution Upgrades do not include Interconnection Facilities.

Effective Date shall mean the date on which the QF-LGIA becomes effective upon execution by the Parties.

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

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to Transmission Provider's Transmission System, Transmission Provider's Interconnection Facilities or the electric systems of others to which 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 QF-LGIA to possess black start capability.

Energy Resource Interconnection Service shall mean an Interconnection Service that allows Interconnection Customer to connect its Generating Facility to Transmission Provider's Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of 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 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 (FERC) 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 or devices for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include Interconnection Customer's Interconnection Facilities. The Generating Facility is and shall remain a Qualifying Facility. For purposes of allocating costs

for Interconnection Facilities and Network Upgrades, the term Generating Facility includes all Generating Facilities included in the same Cluster, whether studied pursuant to this QF-LGIP or Transmission Providers' OATT.

Generating Facility Capacity shall mean the net capacity of the Generating Facility or the aggregate net capacity of the Generating Facility where it includes more than one device for the production and/or storage for later injection of electricity.

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

Governmental Authority shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include Interconnection Customer, Transmission Provider, 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 Interconnection Customer reasonably expects it will be ready to begin use of Transmission Provider's Interconnection Facilities to obtain back feed power.

Interconnection Customer shall mean the entity identified in the first paragraph of the QF-LGIA that proposes to interconnect its Generating Facility with Transmission Provider's Transmission System. For purposes of Cost Allocation for Interconnection Facilities and Network Upgrades pursuant to Article 4.2.1 of this QF-LGIP, the Optional Interconnection Study process conducted pursuant to Article 10 of this QF-LGIP, the Cluster Study process conducted pursuant to Article 7 of this QF-LGIP, and the allocation of study costs pursuant to

Article 13.3 of this QF-LGIP, “Interconnection Customer” shall also mean any Generating Facility that is participating in a Cluster and any Generating Facility interconnecting under Transmission Provider’s OATT. For purposes of Withdrawal Penalties pursuant to Article 3.6 of this QF-LGIP, “Interconnection Customer” shall also mean any Large Generating Facility interconnecting under Transmission Provider’s OATT.

Interconnection Customer's Interconnection Facilities or ICIF shall mean all facilities and equipment, as identified in Appendix A of the QF-LGIA, 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 Transmission Provider's Transmission System. Interconnection Customer's Interconnection Facilities are sole use facilities.

Interconnection Facilities shall mean Transmission Provider's Interconnection Facilities and 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 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 Transmission Provider or a third party consultant for Interconnection Customer to determine a list of facilities (including Transmission Provider's Interconnection Facilities, Distribution Upgrades and Network Upgrades as identified in the Interconnection Facilities Study), the cost of those facilities, and the time required to interconnect the Generating Facility with Transmission Provider's Transmission System. The scope of the study is defined in Article 8 of the QF-LGIP.

Interconnection Facilities Study Agreement shall mean the form of agreement contained in Appendix 3 of the QF-LGIP for conducting the Interconnection Facilities Study.

Interconnection Facilities Study Report shall mean the report issued following completion of an Interconnection Facilities Study pursuant to Article 8.3 of this QF-LGIP.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the QF-LGIP, 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 Transmission Provider's Transmission System. For purposes of Cost Allocation for Interconnection Facilities and Network Upgrades pursuant to Article 4.2.1 of this QF-LGIP, the Optional Interconnection Study process conducted pursuant to Article 10 of this QF-LGIP, the Cluster Study process conducted pursuant to Article 7 of this QF-LGIP, and the allocation of study costs pursuant to Article 13.3 of this QF-LGIP, “Interconnection Customer” shall also mean any Generating Facility that is participating in a Cluster and any Generating Facility interconnecting under Transmission Provider’s OATT. For purposes of Withdrawal Penalties pursuant to Article 3.6 of this QF-

LGIP, “Interconnection Customer” shall also mean any Generating Facility interconnecting under Transmission Provider’s OATT.

Interconnection Service shall mean the service provided by Transmission Provider associated with interconnecting the Interconnection Customer's Generating Facility to 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 QF-LGIA and, if applicable, Transmission Provider's OATT.

Interconnection Study shall mean any of the following studies: the Cluster Study, the Cluster Restudy, Surplus Interconnection Service Study, and the Interconnection Facilities Study.

IRS shall mean the Internal Revenue Service.

Large Generator Interconnection Agreement or **LGIA** shall mean the form of interconnection agreement applicable to an Interconnection Request under Transmission Provider's OATT pertaining to a Large Generating Facility that is not a Qualifying Facility.

Large Generator Interconnection Procedures or **LGIP** shall mean the interconnection procedures contained in Transmission Provider's OATT that are applicable to an Interconnection Request pertaining to a Large Generating Facility.

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

Loss shall mean any and all losses relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's performance, or non-performance of its obligations under the QF-LGIA 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 an equal or later Queue Position.

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

Net Output shall mean all energy and capacity produced by the Generating Facility and delivered to the Point of Delivery, net of transformation, transmission, or other losses, if any, and less Station Power.

Network Resource shall mean any designated generating resource owned, purchased, or leased by a Network Customer under the Network Integration Transmission Service Tariff.

Network Resources do not include any resource, or any portion thereof, that is committed for sale to third parties or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis.

Network Resource Interconnection Service shall mean an Interconnection Service that allows Interconnection Customer to integrate its Large Generating Facility with Transmission Provider's Transmission System (1) in a manner comparable to that in which Transmission Provider integrates its generating facilities to serve native load customers; or (2) in an RTO or ISO with market based congestion management, in the same manner other Network Resources. Network Resource Interconnection Service in and of itself does not convey transmission service.

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

Obligated Entity shall mean the entity with a contractual obligation to construct Network Upgrades.

OATT shall mean Transmission Provider's Open Access Transmission Tariff on file with the Federal Energy Regulatory Commission ("FERC").

OPUC shall mean the Public Utility Commission of Oregon.

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

Optional Interconnection Study Agreement shall mean the form of agreement contained in Appendix 4 of the QF-LGIP for conducting the Optional Interconnection Study.

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

Permissible Technological Advancement shall mean any change to an Interconnection Customer's project that results in electrical performance that is equal to or better than the Interconnection Request's previously projected electrical performance and that does not alter the fuel type, total size of the interconnection, or cause any reliability concerns (i.e. materially impact the transmission system with regard to short circuit capability limits, steady-state thermal and voltage limits, or dynamic system stability and response).

Point of Change of Ownership shall mean the point, as set forth in Appendix A to the QF-LGIA, where the Interconnection Customer's Interconnection Facilities connect to the Transmission Provider's Interconnection Facilities.

Point of Delivery shall mean the point on Transmission Provider's Transmission System where capacity and energy will be made available to Transmission Provider.

Point of Interconnection shall mean the point, as set forth in Appendix A to the QF-LGIA, where the Interconnection Facilities connect to Transmission Provider's Transmission System.

Power System Stabilizers shall have the meaning designated in the guidelines and procedures established by the applicable Reliability Council.

Power Purchase Agreement ("PPA") shall mean a separate agreement between Transmission Provider and Interconnection Customer, the terms of which govern the sale by the Interconnection Customer and the purchase by Transmission Provider of the Net Output of the Interconnection Customer's Qualifying Facility, pursuant to the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 796 and 824a-3.

Proportional Impact Method shall mean a technical analysis conducted by Transmission Provider to determine the degree to which each Generating Facility in the Cluster Study contributes to the need for a specific System Network Upgrade.

QF-LGIA shall mean the Qualifying Facility Large Generator Interconnection Agreement.

QF-LGIA Deposit shall mean the deposit Interconnection Customer submits when returning the executed QF-LGIA, in accordance with Article 11.3 of this QF-LGIP.

QF-LGIP shall mean the Qualifying Facility Large Generator Interconnection Procedures applicable to any large Generating Facility that is also a Qualifying Facility and which seeks to interconnect to Transmission Provider's Transmission System or Distribution system in Oregon.

Qualifying Facility or **QF** shall mean a qualifying cogeneration facility or qualifying small power production facility within the meaning of Articles 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 796 and 824a-3.

Queue Position shall mean the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, established pursuant to Article 4.1 of this QF-LGIP.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the QF-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 Interconnection Customer(s) and Transmission Provider conducted for the purpose of discussing the proposed Interconnection Request and any alternative interconnection options, exchanging information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, refining information and models provided by Interconnection Customer(s), discussing the Cluster Study materials posted to OASIS pursuant to Article 3.4 of the QF-LGIP, and analyzing such information.

Site Control shall mean the exclusive land right to develop, construct, operate, and maintain the Generating Facility over the term of expected operation of the Generating Facility. Site Control may be demonstrated by documentation establishing: (1) ownership of, a leasehold interest in, or a right to develop a site of sufficient size to construct and operate the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size to construct and operate the Generating Facility; or (3) any other documentation that clearly demonstrates the right of Interconnection Customer to exclusively occupy a site of sufficient size to construct and operate the Generating Facility. Transmission Provider will maintain acreage requirements for each Generating Facility type on its OASIS or public website.

Small Generating Facility shall mean a Generating Facility that has a Generating Facility Capacity of no more than 10 MW.

Stand Alone Network Upgrades shall mean Network Upgrades that are not part of an Affected System that Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. Both Transmission Provider and Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the QF-LGIA. If Transmission Provider and Interconnection Customer disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, Transmission Provider must provide Interconnection Customer a written technical explanation outlining why Transmission Provider does not consider the Network Upgrade to be a Stand Alone Network Upgrade within fifteen (15) Business Days of its determination.

Station Power shall mean electric power used in the process of producing power at Interconnection Customer's Generating Facility, including but not limited to the electric power necessary for auxiliary equipment such as pumps, blowers, fans, fuel transportation systems, similar auxiliary systems that are a necessary and integral part of the power production process, and other parasitic loads involved in the generating process.

Substation Network Upgrades shall mean Network Upgrades that are required at the substation located at the Point of Interconnection.

Surplus Interconnection Service shall mean any unneeded portion of Interconnection Service established in a Standard QF-Large Generator Interconnection Agreement, such that if Surplus Interconnection Service is utilized, the total amount of Interconnection Service at the Point of Interconnection would remain the same.

System Network Upgrades shall mean Network Upgrades that are required beyond the substation located at the Point of Interconnection.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) 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 Transmission Provider's Transmission System or on other delivery systems or other generating systems to which Transmission Provider's Transmission System is directly connected.

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 QF-LGIA to the extent necessary.

Transmission Provider shall mean the public utility (or its designated agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the OATT. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from Transmission Provider.

Transmission Provider's Interconnection Facilities shall mean all facilities and equipment owned, controlled, or operated by Transmission Provider from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the QF-LGIA, 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 System shall mean the facilities owned, controlled or operated by Transmission Provider or Transmission Owner that are used to provide transmission service under the OATT.

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.

Withdrawal Penalty shall mean the penalty assessed by Transmission Provider to an Interconnection Customer that chooses to withdraw or is deemed withdrawn from Transmission Provider's interconnection queue or whose Generating Facility does not otherwise reach Commercial Operation. The calculation of the Withdrawal Penalty is set forth in Article 3.6.1 of this QF-LGIP.

Article 2. Scope and Application

2.1 Application of Standard Large Generator Interconnection Procedures.

This QF-LGIP applies to processing an Interconnection Request pertaining to a Qualifying Facility Large Generating Facility for a point of Interconnection in Oregon.

2.1.1 Articles 2 through 13 of this QF-LGIP apply to processing an Interconnection Request pertaining to a Large Generating Facility, including, but not limited to, a Generating Facility modification that may constitute a Material Modification to the operating characteristics of an existing Generating Facility.

2.1.2 A request for Generating Facility modification for an existing Generating Facility must be submitted to and coordinated with Transmission Provider to allow Transmission Provider to determine whether the proposed modification constitutes a Material Modification. If Transmission Provider determines that the proposed Generating Facility modification is a Material Modification, then the Generating Facility modification request shall be submitted as a separate Interconnection Request pursuant to this QF-LGIP. Such separate Interconnection Request shall be assigned a new Queue Position and proceed through the study process in the same manner as an Interconnection Request for a new Generating Facility.

2.2 Comparability.

Transmission Provider shall receive, process and analyze all Interconnection Requests in a timely manner as set forth in this QF-LGIP. Transmission Provider shall process and analyze Interconnection Requests from all Interconnection Customers, regardless of whether the Generating Facilities are owned by Transmission Provider, its subsidiaries or Affiliates or others.

2.3 Base Case Data.

In accordance with the Applicable Electric Reliability Organization policies, Transmission Provider shall provide base power flow, short circuit and stability databases, including all underlying assumptions, and contingency list upon request subject to confidentiality provisions in QF-LGIP Article 13.1. Transmission Provider is permitted to require that Interconnection Customer sign a confidentiality agreement before the release of commercially sensitive information or Critical Energy Infrastructure Information in the Base Case data. Such databases and lists, hereinafter referred to as Base Cases, shall include all (1) generation projects and (2) transmission projects, including merchant transmission projects that are proposed for the Transmission System for which a transmission expansion plan has been submitted and approved by the applicable authority.

2.4 No Applicability to Transmission Service.

Nothing in this QF-LGIP shall constitute a request for transmission service or confer upon an Interconnection Customer any right to receive transmission service.

Article 3. Interconnection Requests

3.1 Interconnection Requests.

3.1.1 Study Deposits.

3.1.1.1 Study Deposit.

Interconnection Customer shall submit to Transmission Provider during a Cluster Request Window an Interconnection Request in the form of Appendix 1 to this QF-LGIP, a non-refundable application fee of \$5,000, and a refundable study deposit of:

- (a) \$35,000 plus \$1,000 per MW for Interconnection Requests < 80 MW; or
- (b) \$150,000 for Interconnection Requests \geq 80 MW < 200 MW; or
- (c) \$250,000 for Interconnection Requests \geq 200 MW.

And evidence that Interconnection customer has initiated the certification process for the Large Generating Facility as a Qualifying Facility established by 18 C.F.R. § 292.207. Transmission Provider shall apply the deposit toward the cost of the Cluster Study.

3.1.2 Submission.

Interconnection Customer shall submit a separate Interconnection Request for each site. Where multiple Generating Facilities share a site, Interconnection Customer(s) may submit separate Interconnection Requests for a single Interconnection Request. An Interconnection Request to evaluate one site at two different voltage levels shall be treated as two Interconnection Requests.

At Interconnection Customer's option, Transmission Provider and Interconnection Customer will identify alternative Point(s) of Interconnection and configurations at a Scoping Meeting within the Customer Engagement Window to evaluate in this process and attempt to eliminate alternatives in a reasonable fashion given resources and information available. Interconnection Customer will select the definitive Point of Interconnection to be studied no later than the execution of the Cluster Study Agreement. For purposes of clustering Interconnection Requests, Transmission Provider may propose changes to the requested Point of Interconnection to facilitate efficient interconnection of Interconnection Customers at common Point(s) of Interconnection. Transmission Provider shall notify Interconnection Customers in writing of any intended changes to the requested Point of Interconnection within the Customer Engagement Window, and the Point of Interconnection shall only change upon mutual agreement.

Transmission Provider shall have a process in place to study Generating Facilities that include at least one electric storage resource using operating assumptions (i.e., whether the interconnecting Generating Facility will or will not charge at peak load) that reflect the proposed charging behavior of the Generating Facility as requested by Interconnection Customer, unless Transmission Provider

determines that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions. If Transmission Provider finds Interconnection Customer's requested operating assumptions conflict with Good Utility Practice, Transmission Provider must provide Interconnection Customer an explanation in writing of why the submitted operating assumptions are insufficient or inappropriate by no later than thirty (30) Calendar Days before the end of the Customer Engagement Window and allow Interconnection Customer to revise and resubmit requested operating assumptions one time at least ten (10) Calendar Days prior to the end of the Customer Engagement Window. Transmission Provider shall study these requests for Interconnection Service, with the study costs borne by Interconnection Customer, using the submitted operating assumptions for purposes of Interconnection Facilities, Network Upgrades, and associated costs. These requests for Interconnection Service also may be subject to other studies at the full Generating Facility Capacity to ensure safety and reliability of the system, with the study costs borne by Interconnection Customer. Interconnection Customer's Generating Facility may be subject to additional control technologies as well as testing and validation of such additional control technologies consistent with Article 6 of the QF-LGIA. The necessary control technologies and protection systems shall be set forth in Appendix C of Interconnection Customer's QF-LGIA.

3.2 Identification of Types of Interconnection Services.

At the time the Interconnection Request is submitted, Interconnection Customer must request either Network Resource Interconnection Service or request that it be concurrently studied for Energy Resource Interconnection Service, up to the point when an Interconnection Facilities Study Agreement is executed. Interconnection Customer may then elect to proceed with Network Resource Interconnection Service or to proceed under a lower level of interconnection service to the extent that only certain upgrades will be completed.

3.2.1 Energy Resource Interconnection Service.

3.2.1.1 The Product. Energy Resource Interconnection Service allows Interconnection Customer to connect the 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 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, except for Generating Facilities that include at least one electric storage resource that request to use operating assumptions pursuant to Article 3.1.2, unless Transmission Provider determines that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions, 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 The Product. Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Large Generating Facility in a manner comparable to that in which Transmission Provider integrates its generating facilities to serve native load customers in the same manner as all other Network Resources. Network Resource Interconnection Service allows Interconnection Customer's Large Generating Facility to be designated as a Network Resource, up to the Large Generating Facility's full output, on the same basis as existing Network Resources interconnected to Transmission Provider's Transmission System, and to be studied as a Network Resource on the assumption that such a designation will occur.

3.2.2.2 The Study. The Interconnection Study for Network Resource Interconnection Service shall assure that Interconnection Customer's Large Generating Facility meets the requirements for Network Resource Interconnection Service and as a general matter, that such Large Generating Facility's interconnection is also studied with Transmission Provider's Transmission System at peak load, under a variety of severely stressed conditions, to determine whether, with the Large Generating Facility at full output, except for Generating Facilities that include at least one electric storage resource that request to use, and for which Transmission Provider approves, operating assumptions pursuant to Article 3.1.2, the aggregate of generation in the local area can be delivered to the aggregate of load on Transmission Provider's Transmission System, consistent with Transmission Provider's reliability criteria and procedures. This approach assumes that some portion of existing Network Resources are displaced by the output of Interconnection Customer's Large Generating Facility. Network Resource Interconnection Service in and of itself does not convey any right to deliver electricity to any specific customer or Point of Delivery. Transmission Provider may also study the Transmission System under non-peak load conditions. However, upon request by Interconnection Customer, Transmission Provider must explain in writing to Interconnection Customer why the study of non-peak load conditions is required for reliability purposes.

3.3 Valid Interconnection Request.

3.3.1 Cluster Request Window

Transmission Provider shall accept Interconnection Requests during a forty-five (45) Calendar Day period (the Cluster Request Window). The initial Cluster Request Window shall open for Interconnection Requests beginning March 1, 2025, and successive Cluster Request Windows shall open annually every March 1 thereafter.

3.3.2 Initiating an Interconnection Request.

An Interconnection Customer seeking to join a Cluster shall submit its Interconnection Request to Transmission Provider within, and no later than the close of, the Cluster Request Window. Interconnection Requests submitted outside of the Cluster Request Window will not be considered for that Cluster. To initiate an Interconnection Request, Interconnection Customer must submit all of the following:

- (i) Applicable study deposit amount, pursuant to Article 3.1.1.1 of this QF-LGIP,
- (ii) A completed application in the form of Appendix 1,
- (iii) Demonstration of no less than ninety percent (90%) Site Control or if Site Control is unobtainable due to regulatory limitations as such term is defined by the Transmission Provider: (1) a signed affidavit from an officer of the Interconnection Customer's company indicating that Site Control is unobtainable due to regulatory limitations as such term is defined by Transmission Provider; and (2) documentation sufficiently describing and explaining the source and effects of such regulatory limitations, including a description of any conditions that must be met to satisfy the regulatory limitations and the anticipated time by which Interconnection Customer expects to satisfy the regulatory requirements, and (3) a deposit in lieu of Site Control of \$10,000 per MW, subject to a minimum of \$500,000 and a maximum of \$2,000,000. Interconnection Requests from multiple Interconnection Customers for multiple Generating Facilities that share a site must include a contract or other agreement that allows for shared land use,
- (iv) Generating Facility Capacity (MW) (and requested Interconnection Service level if the requested Interconnection Service is less than the Generating Facility Capacity),
- (v) If applicable, (1) the requested operating assumptions (i.e., whether the interconnecting Generating Facility will or will not charge at peak load) to be used by Transmission Provider that reflect the proposed charging

behavior of the Generating Facility that includes at least one electric storage resource, and (2) a description of any control technologies (software and/or hardware) that will limit the operation of the Generating Facility to the operating assumptions submitted by Interconnection Customer,

- (vi) A Commercial Readiness Deposit equal to two times the study deposit described in Article 3.1.1.1 of this QF-LGIP in the form of an irrevocable letter of credit, cash, a surety bond, or other form of security that is reasonably acceptable to Transmission Provider. This Commercial Readiness Deposit is refunded to Interconnection Customer according to Article 3.6 of this QF-LGIP,
- (vii) A Point of Interconnection, and
- (viii) Whether the Interconnection Request shall be studied for Network Resource Interconnection Service or for both Network Resource Interconnection Service and Energy Resource Interconnection Service, consistent with Article 3.2 of this QF-LGIP.

An Interconnection Customer that submits a deposit in lieu of Site Control due to demonstrated regulatory limitations must demonstrate that it is taking identifiable steps to secure the necessary regulatory approvals from the applicable federal, state, and/or tribal entities before execution of the Cluster Study Agreement. Such deposit will be held by Transmission Provider until Interconnection Customer provides the required Site Control demonstration for its point in the Cluster Study Process. Interconnection Customers facing qualifying regulatory limitations must demonstrate one hundred percent (100%) Site Control within one hundred eighty (180) Calendar Days of the effective date of the QF-LGIA.

Interconnection Customer shall promptly inform Transmission Provider of any material change to Interconnection Customer's demonstration of Site Control under Article 3.3.2(iii) of this QF-LGIP. If Transmission Provider determines, based on Interconnection Customer's information, that Interconnection Customer no longer satisfies the Site Control requirement, Transmission Provider shall give Interconnection Customer ten (10) Business Days to demonstrate satisfaction with the applicable requirement subject to Transmission Provider's approval. Absent such, Transmission Provider shall deem the Interconnection Request withdrawn pursuant to Article 3.6 of this QF-LGIP.

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 (7) 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 the Interconnection Request is received by Transmission Provider by a period up to ten years, or longer where Interconnection Customer and Transmission Provider agree, such agreement not to be unreasonably withheld.

3.3.3 Acknowledgment of Interconnection Request.

Transmission Provider shall acknowledge receipt of the Interconnection Request within five (5) Business Days of receipt of the request and attach a copy of the received Interconnection Request to the acknowledgement.

3.3.4 Deficiencies in Interconnection Request.

An Interconnection Request will not be considered to be a valid request until all items in Article 3.3 of this QF-LGIP have been received by Transmission Provider during the Cluster Request Window. If an Interconnection Request fails to meet the requirements set forth in Article 3.3 of this QF-LGIP, Transmission Provider shall notify Interconnection Customer within five (5) Business Days of receipt of the initial Interconnection Request of the reasons for such failure and that the Interconnection Request does not constitute a valid request. Interconnection Customer shall provide Transmission Provider the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice but no later than the close of the Cluster Request Window. At any time, if Transmission Provider finds that the technical data provided by Interconnection Customer is incomplete or contains errors, Interconnection Customer and Transmission Provider shall work expeditiously and in good faith to remedy such issues. In the event that Interconnection Customer fails to comply with this Article 3.3.4, Transmission Provider shall deem the Interconnection Request withdrawn (without the cure period provided under Article 3.6 of this QF-LGIP), the application fee is forfeited to Transmission Provider, and the study deposit and Commercial Readiness Deposit shall be returned to Interconnection Customer.

3.3.5 Customer Engagement Window

Upon the close of each Cluster Request Window, Transmission Provider shall open a sixty (60) Calendar Day period (Customer Engagement Window). During the Customer Engagement Window, Transmission Provider shall hold a Scoping Meeting with all interested Interconnection Customers. Notwithstanding the preceding requirements and upon written consent of all Interconnection Customers within the Cluster, Transmission Provider may shorten the Customer Engagement Window and begin the Cluster Study. Within ten (10) Business Days of the opening of the Customer Engagement Window, Transmission Provider shall post on its OASIS a list of Interconnection Requests for that Cluster. The list shall identify, for each anonymized Interconnection Request: (1) the requested amount of Interconnection Service; (2) the location by county and state; (3) the station or

transmission line or lines where the interconnection will be made; (4) the projected In-Service Date; (5) the type of Interconnection Service requested; and (6) the type of Generating Facility or Facilities to be constructed, including fuel types, such as coal, natural gas, solar, or wind. Transmission Provider must ensure that project information is anonymized and does not reveal the identity or commercial information of Interconnection Customers with submitted requests. During the Customer Engagement Window, Transmission Provider shall provide to Interconnection Customer a non-binding updated good faith estimate of the cost and timeframe for completing the Cluster Study and a Cluster Study Agreement to be executed prior to the close of the Customer Engagement Window.

At the end of the Customer Engagement Window, all Interconnection Requests deemed valid that have executed a Cluster Study Agreement in the form of Appendix 2 to this QF-LGIP shall be included in the Cluster Study. Any Interconnection Requests for which Interconnection Customer has not executed a Cluster Study Agreement shall be deemed withdrawn (without the cure period provided under Article 3.6 of this QF-LGIP) by Transmission Provider, the application fee shall be forfeited to Transmission Provider, and Transmission Provider shall return the study deposit and Commercial Readiness Deposit to Interconnection Customer. Immediately following the Customer Engagement Window, Transmission Provider shall initiate the Cluster Study described in Article 7 of this QF-LGIP.

3.3.6 Cluster Study Scoping Meetings.

During the Customer Engagement Window, Transmission Provider shall hold a Scoping Meeting with all the Interconnection Customers whose valid Interconnection Requests were received in that Cluster Request Window.

The purpose of the Cluster Study Scoping Meeting shall be to discuss alternative interconnection options, to exchange information including any transmission data and earlier study evaluations that would reasonably be expected to impact such interconnection options, to discuss the Cluster Study materials posted to OASIS pursuant to Article 3.4 of this QF-LGIP, if applicable, and to analyze such information. Transmission Provider and Interconnection Customer(s) will 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, and (v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting. Transmission Provider and Interconnection Customer(s) 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(s) shall designate its Point of Interconnection. The duration of the meeting shall be sufficient to accomplish its purpose. If the Cluster Study Scoping Meeting consists of more than one Interconnection Customer, Transmission Provider shall issue, no later than fifteen (15) Business Days after the commencement of the Customer Engagement Window, and Interconnection

Customer shall execute a non-disclosure agreement prior to a group Cluster Study Scoping Meeting, which will provide for confidentiality of identifying information or commercially sensitive information pertaining to any other Interconnection Customers.

3.4 OASIS Posting.

In addition to the Interconnection Requests that Transmission Provider is required to maintain on its OASIS under the requirements of Transmission Provider's OATT, Transmission Provider will maintain on its same OASIS a list of all Interconnection Requests under this QF-LGIP. Interconnection Requests received under the QF-LGIP and the LGIP under Transmission Provider's OATT shall be assigned Queue Positions in the same queue. The list will identify, for each Interconnection Request: (i) the maximum summer and winter megawatt electrical output; (ii) the location by county and state; (iii) the station or transmission line or lines where the interconnection will be made; (iv) the projected In-Service Date; (v) the status of the Interconnection Request, including Queue Position; (vi) the type of Interconnection Service being requested; and (vii) the availability of any studies related to the Interconnection Request; (viii) the date of the Interconnection Request; (ix) the type of Generating Facility to be constructed; and (x) 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 a QF-LGIA. Before holding a Scoping Meeting with its Affiliate, Transmission Provider shall post on OASIS an advance notice of its intent to do so. Transmission Provider shall post to its OASIS site any deviations from the study timelines set forth herein. Interconnection Study reports and Optional Interconnection Study reports shall be posted to Transmission Provider's OASIS site subsequent to the meeting between Interconnection Customer and Transmission Provider to discuss the applicable study results. Transmission Provider shall also post any known deviations in the 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 within the time frame specified in this QF-LGIP. Transmission Provider will include such Affected System Operators in all meetings held with Interconnection Customer as required by this QF-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.

3.5.1 Initial Notification.

Transmission Provider must notify Affected System Operator of a potential Affected System impact caused by an Interconnection Request within ten (10) Business Days of the completion of the Cluster Study.

At the time of initial notification, Transmission Provider must provide Interconnection Customer with a list of potential Affected Systems, along with relevant contact information.

3.5.2 Notification of Cluster Restudy.

Transmission Provider must notify Affected System Operator of a Cluster Restudy concurrently with its notification of such Cluster Restudy to Interconnection Customers.

3.5.3 Notification of Cluster Restudy Completion.

Upon the completion of Transmission Provider's Cluster Restudy, Transmission Provider will notify Affected System Operator of a potential Affected System impact caused by an Interconnection Request within ten (10) Business Days of the completion of the Cluster Restudy, regardless of whether that potential Affected System impact was previously identified. At the time of the notification of the completion of the Cluster Restudy to the Affected System Operator, Transmission Provider must provide Interconnection Customer with a list of potential Affected System Operators, along with relevant contact information.

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 QF-LGIP, except as provided in Article 13.5 (Disputes), Transmission Provider shall deem the Interconnection Request to be withdrawn and shall provide written notice to Interconnection Customer of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, Interconnection Customer shall have fifteen (15) Business Days in which to either respond with information or actions that cures the deficiency or to notify Transmission Provider of its intent to pursue Dispute Resolution.

Withdrawal shall result in the loss of Interconnection Customer's Queue Position. If an Interconnection Customer disputes the withdrawal and loss of its Queue Position, then during Dispute Resolution, Interconnection Customer's Interconnection Request is eliminated from the queue until such time that the outcome of Dispute Resolution would restore its Queue Position. An Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request shall pay to Transmission Provider all costs that Transmission Provider prudently incurs with respect to that Interconnection Request prior to Transmission Provider's receipt of notice described above.

Interconnection Customer must pay all monies due to Transmission Provider before it is allowed to obtain any Interconnection Study data or results.

If Interconnection Customer withdraws its Interconnection Request or is deemed withdrawn by Transmission Provider under Article 3.6 of this QF-LGIP, Transmission Provider shall:

- (i) update the OASIS Queue Position posting;
- (ii) impose the Withdrawal Penalty described in Article 3.6.1 of this QF-LGIP; and
- (iii) refund to Interconnection Customer any portion of the refundable portion of Interconnection Customer's study deposit that exceeds the costs that Transmission Provider has incurred, including interest calculated in accordance with Article 35.19a(a)(2) of FERC's regulations. Transmission Provider shall also refund any portion of the Commercial Readiness Deposit not applied to the Withdrawal Penalty and, if applicable, the deposit in lieu of site control.

In the event of such withdrawal, Transmission Provider, subject to the confidentiality provisions of Article 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.

3.6.1 Withdrawal Penalty.

Interconnection Customer shall be subject to a Withdrawal Penalty if it withdraws its Interconnection Request or is deemed withdrawn, or the Generating Facility does not otherwise reach Commercial Operation unless: (1) the withdrawal does not have a material impact on the cost or timing of any Interconnection Request in the same Cluster; (2) Interconnection Customer withdraws after receiving Interconnection Customer's most recent Cluster Restudy Report and the Network Upgrade costs assigned to the Interconnection Request identified in that report have increased by more than twenty-five percent (25%) compared to costs identified in Interconnection Customer's preceding Cluster Study Report or Cluster Restudy Report; or (3) Interconnection Customer withdraws after receiving Interconnection Customer's Interconnection Facilities Study Report and the Network Upgrade costs assigned to the Interconnection Request identified in that report have increased by more than one hundred percent (100%) compared to costs identified in the Cluster Study Report or Cluster Restudy Report.

3.6.1.1 Calculation of the Withdrawal Penalty.

If Interconnection Customer withdraws its Interconnection Request or is deemed withdrawn prior to the commencement of the initial Cluster Study, Interconnection Customer shall not be subject to a Withdrawal Penalty. If Interconnection Customer withdraws, is deemed withdrawn, or otherwise does not reach

Commercial Operation at any point after the commencement of the initial Cluster Study, that Interconnection Customer's Withdrawal Penalty will be the greater of: (1) Interconnection Customer's study deposit required under Article 3.1.1.1 of this QF-LGIP; or (2) as follows in (a)–(d):

- (a) If Interconnection Customer withdraws or is deemed withdrawn during the Cluster Study or after receipt of a Cluster Study Report, but prior to commencement of the Cluster Restudy or Interconnection Facilities Study if no Cluster Restudy is required, Interconnection Customer shall be charged two (2) times its actual allocated cost of all studies performed for Interconnection Customers in the Cluster up until that point in the Interconnection Study process.
- (b) If Interconnection Customer withdraws or is deemed withdrawn during the Cluster Restudy or after receipt of any applicable restudy reports issued pursuant to Article 7.5 of this QF-LGIP, but prior to commencement of the Interconnection Facilities Study, Interconnection Customer shall be charged five percent (5%) of its estimated Network Upgrade costs.
- (c) If Interconnection Customer withdraws or is deemed withdrawn during the Interconnection Facilities Study, after receipt of the Interconnection Facilities Study Report issued pursuant to Article 8.3 of this QF-LGIP, or after receipt of the draft QF-LGIA but before Interconnection Customer has executed a QF-LGIA, and has satisfied the other requirements described in Article 11.3 of the QF-LGIP (i.e., Site Control demonstration and QF-LGIA Deposit), Interconnection Customer shall be charged ten percent (10%) of its estimated Network Upgrade costs.
- (d) If Interconnection Customer has executed a QF-LGIA and has satisfied the other requirements described in Article 11.3 of this QF-LGIP and subsequently withdraws its Interconnection Request or if Interconnection Customer's Generating Facility otherwise does not reach Commercial Operation, that Interconnection Customer's Withdrawal Penalty shall be twenty percent (20%) of its estimated Network Upgrade costs.

3.6.1.2 Distribution of the Withdrawal Penalty.

3.6.1.2.1 Initial Distribution of Withdrawal Penalties Prior to Assessment of Network Upgrade Costs Previously Shared with Withdrawn Interconnection Customers in the Same Cluster.

For a single Cluster, Transmission Provider shall hold all Withdrawal Penalty funds until all Interconnection Customers in that Cluster have either: (1) withdrawn or been deemed withdrawn; or (2) executed a QF-LGIA. Any Withdrawal Penalty funds collected from the Cluster shall first

be used to fund studies conducted under the Cluster Study Process for Interconnection Customers in the same Cluster that have executed the QF-LGIA. Next, after the Withdrawal Penalty funds are applied to relevant study costs in the same Cluster, Transmission Provider will apply the remaining Withdrawal Penalty funds to reduce net increases, for Interconnection Customers in the same Cluster, in Interconnection Customers' Network Upgrade cost assignment and associated financial security requirements under Article 11.5 of the QF-LGIA attributable to the impacts of withdrawn Interconnection Customers that shared an obligation with the remaining Interconnection Customers to fund a Network Upgrade, as described in more detail in Articles 3.6.1.2.3 and 3.6.1.2.4. The total amount of funds used to fund these studies under the Cluster Study Process or those applied to any net increases in Network Upgrade costs for Interconnection Customers in the same Cluster shall not exceed the total amount of Withdrawal Penalty funds collected from the Cluster.

Withdrawal Penalty funds shall first be applied as a refund to invoiced study costs for Interconnection Customers in the same Cluster that did not withdraw within thirty (30) Calendar Days of such Interconnection Customers executing their QF-LGIA or LGIA, as applicable. Distribution of Withdrawal Penalty funds within one specific Cluster for study costs shall not exceed the total actual Cluster Study Process costs for the Cluster. Withdrawal Penalty funds applied to study costs shall be allocated within the same Cluster to Interconnection Customers in a manner consistent with Transmission Provider's method in Article 13.3 of this QF-LGIP for allocating the costs of Interconnection Studies conducted on a clustered basis. Transmission Provider shall post the balance of Withdrawal Penalty funds held by Transmission Provider but not yet dispersed on its OASIS site and update this posting on a quarterly basis.

If an Interconnection Customer withdraws after it executes its QF-LGIA, Transmission Provider shall first apply such Interconnection Customer's Withdrawal Penalty funds to any restudy costs required due to Interconnection Customer's withdrawal as a credit to as-yet-to be invoiced study costs to be charged to the remaining Interconnection Customers in the same Cluster in a manner consistent with Transmission Provider's method in Article 13.3 of this QF-LGIP for allocating the costs of Interconnection Studies conducted on a clustered basis. Distribution of the Withdrawal Penalty funds for such restudy costs shall not exceed the total actual restudy costs.

3.6.1.2.2 Assessment of Network Upgrade Costs Previously Shared with Withdrawn Interconnection Customers in the Same Cluster

If Withdrawal Penalty funds remain for the same Cluster after the Withdrawal Penalty funds are applied to relevant study costs, Transmission Provider will determine if the withdrawn Interconnection Customers, at any point in the Cluster Study Process, shared cost assignment for one or more Network Upgrades with any remaining Interconnection Customers in the same Cluster based on the Cluster Study Report, Cluster Restudy Report(s), Interconnection Facilities Study Report, and any subsequent issued restudy report issued for the Cluster.

In Article 3.6.1.2 of this QF-LGIP, shared cost assignments for Network Upgrades refers to the cost of Network Upgrades still needed for the same Cluster for which an Interconnection Customer, prior to withdrawing its Interconnection Request, shared the obligation to fund along with Interconnection Customers that have executed a QF-LGIA or LGIA, as applicable.

If Transmission Provider's assessment determines that there are no shared cost assignments for any Network Upgrades in the same Cluster for the withdrawn Interconnection Customer, or determines that the withdrawn Interconnection Customer's withdrawal did not cause a net increase in the shared cost assignment for any remaining Interconnection Customers' Network Upgrade(s) in the same Cluster, Transmission Provider will return any remaining Withdrawal Penalty funds to the withdrawn Interconnection Customer(s). Such remaining Withdrawal Penalty funds will be returned to withdrawn Interconnection Customers based on the proportion of each withdrawn Interconnection Customer's contribution to the total amount of Withdrawal Penalty funds collected for the Cluster (i.e., the total amount before the initial disbursement required under Article 3.6.1.2.1 of this QF-LGIP). Transmission Provider must make such disbursement within sixty (60) Calendar Days of the date on which all Interconnection Customers in the same Cluster have either: (1) withdrawn or been deemed withdrawn; or (2) executed a QF-LGIA or LGIA, as applicable. For the withdrawn Interconnection Customers that Transmission Provider determines have caused a net increase in the shared cost assignment for one or more Network Upgrade(s) in the same Cluster under Article 3.6.1.2.3(a) of this QF-LGIP, Transmission Provider will determine each such withdrawn Interconnection Customers' Withdrawal Penalty funds remaining balance that will be applied toward net increases in Network Upgrade shared costs calculated under Articles 3.6.1.2.3(a) and 3.6.1.2.3(b) of this QF-LGIP based on each such withdrawn Interconnection Customer's proportional contribution to the total amount of Withdrawal Penalty funds collected for the same Cluster (i.e., the total amount before the initial disbursement requirement under Article 3.6.1.2.1 of this QF-LGIP).

If Transmission Provider's assessment determines that there are shared cost assignments for Network Upgrades in the same Cluster, Transmission

Provider will calculate the remaining Interconnection Customers' net increase in cost assignment for Network Upgrades due to a shared cost assignment for Network Upgrades with the withdrawn Interconnection Customer and distribute Withdrawal Penalty funds as described in Article 3.6.1.2.3, depending on whether the withdrawal occurred before the withdrawing Interconnection Customer executed the QF-LGIA as described in Article 3.6.1.2.3(a) of this QF-LGIP, or after such execution of a QF-LGIA, as described in Article 3.6.1.2.3(b) of this QF-LGIP.

As discussed in Article 3.6.1.2.4 of this QF-LGIP, Transmission Provider will amend executed QF-LGIAs of the remaining Interconnection Customers in the same Cluster to apply the remaining Withdrawal Penalty funds to reduce net increases in Interconnection Customers' Network Upgrade cost assignment and associated financial security requirements under Article 11.5 of the QF-LGIA attributable to the impacts of withdrawn Interconnection Customers on Interconnection Customers remaining in the same Cluster that had a shared cost assignment for Network Upgrades with the withdrawn Interconnection Customers.

3.6.1.2.3 Impact Calculations

3.6.1.2.3(a) Impact Calculation for Withdrawals During the Cluster Study Process

If an Interconnection Customer withdraws before it executes its QF-LGIA, Transmission Provider will distribute in the following manner the Withdrawal Penalty funds to reduce the Network Upgrade cost impact on the remaining Interconnection Customers in the same Cluster who had a shared cost assignment for a Network Upgrade with the withdrawn Interconnection Customer.

To calculate the reduction in the remaining Interconnection Customers' net increase in Network Upgrade costs and associated financial security requirements under Article 11.5 of the QF-LGIA or the applicable provisions of the LGIA, if applicable, Transmission Provider will determine the financial impact of a withdrawing Interconnection Customer on other Interconnection Customers in the same Cluster that shared an obligation to fund the same Network Upgrade(s). Transmission Provider shall calculate this financial impact once all Interconnection Customers in the same Cluster either: (1) have withdrawn or have been deemed withdrawn; or (2) executed an QF-LGIA. Transmission Provider will perform the financial impact calculation using the following steps.

First, Transmission Provider must determine which withdrawn Interconnection Customers shared an obligation to fund Network

Upgrades with Interconnection Customers from the same Cluster that have QF-LGIAs that are executed. Next, Transmission Provider shall perform the calculation of the financial impact of a withdrawal on another Interconnection Request in the same Cluster by performing a comparison of the Network Upgrade cost estimates between each of the following:

- (1) Cluster Study phase to Cluster Restudy phase (if Cluster Restudy was necessary);
- (2) Cluster Restudy phase to Interconnection Facilities Study phase (if a Cluster Restudy was necessary);
- (3) Cluster Study phase to Interconnection Facilities Study phase (if no Cluster Restudy was performed);
- (4) Interconnection Facilities Study phase to any subsequent restudy that was performed before the execution of a QF-LGIA or LGIA, as applicable;
- (5) the restudy to the executed QF-LGIA (if a restudy was performed after the Interconnection Facilities Study phase and before the execution of a QF-LGIA).

If, based on the above calculations, Transmission Provider determines:

- (i) that the costs assigned to an Interconnection Customer in the same Cluster for Network Upgrades that a withdrawn Interconnection Customer shared cost assignment for increased between any two studies, and
- (ii) after the impacted Interconnection Customer's QF-LGIA or LGIA, as applicable, was executed, Interconnection Customer's cost assignment for the relevant Network Upgrade is greater than it was prior to the withdrawal of Interconnection Customer in the same Cluster that shared cost assignment for the Network Upgrade, then Transmission Provider shall apply the withdrawn Interconnection Customer's Withdrawal Penalty funds that has not already been applied to study costs in the amount of the financial impact by reducing, in the same Cluster, the remaining Interconnection Customer's Network Upgrade costs and associated financial security requirements under Article 11.5 of the QF-LGIA, or the applicable provisions of the LGIA, if applicable.

If Transmission Provider determines that more than one Interconnection Customer in the same Cluster was financially impacted by the same withdrawn Interconnection Customer, Transmission Provider will apply the relevant withdrawn Interconnection Customer's Withdrawal Penalty funds that has not already been applied to study costs to reduce the financial impact to each Interconnection Customer based on each Interconnection Customer's proportional share of the financial impact, as determined by either the Proportional Impact Method if it is a System Network Upgrade or on a per capita basis if it is a Substation Network Upgrade, as described under Article 4.2.1 of this QF-LGIP.

3.6.1.2.3(b) Impact Calculation for Withdrawals in the Same Cluster After the Cluster Study Process

If an Interconnection Customer withdraws after it executes its QF-LGIA, Transmission Provider will distribute in the following manner the remaining Withdrawal Penalty funds to reduce the Network Upgrade cost impact on the remaining Interconnection Customers in the same Cluster who had a shared cost assignment with the withdrawn Interconnection Customer for one or more Network Upgrades.

Transmission Provider will determine the financial impact on the remaining Interconnection Customers in the same Cluster within thirty (30) Calendar Days after the withdrawal occurs. Transmission Provider will determine that financial impact by comparing the Network Upgrade cost funding obligations Interconnection Customers shared with the withdrawn Interconnection Customer before the withdrawal of Interconnection Customer and after the withdrawal of Interconnection Customer. If that comparison indicates an increase in Network Upgrade costs for an Interconnection Customer, Transmission Provider shall apply the withdrawn Interconnection Customer's Withdrawal Penalty funds to the increased costs each impacted Interconnection Customer in the same Cluster experienced associated with such Network Upgrade(s) in proportion to each Interconnection Customer's increased cost assignment, as determined by Transmission Provider.

3.6.1.2.4 Amending QF-LGIA to Apply Reductions to Interconnection Customer's Assigned Network Upgrade Costs and Associated Financial Security Requirement with Respect to Withdrawals in the Same Cluster

Within thirty (30) Calendar Days of all Interconnection Customers in the same Cluster having: (1) withdrawn or been deemed withdrawn; or

(2) executed a QF-LGIA or LGIA, as applicable, Transmission Provider must perform the calculations described in Article 3.6.1.2.3(a) of this QF-LGIP and provide such Interconnection Customers with an amended QF-LGIA that provides the reduction in Network Upgrade cost assignment and associated reduction to Interconnection Customer's financial security requirements, under Article 11.5 of the QF-LGIA, due from Interconnection Customer to Transmission Provider.

Where an Interconnection Customer executes the QF-LGIA and is later withdrawn or its QF-LGIA is terminated, Transmission Provider must, within thirty (30) Calendar Days of such withdrawal or termination, perform the calculations described in Article 3.6.1.2.3(b) of this QF-LGIP and provide such Interconnection Customers in the same Cluster with an amended QF-LGIA that provides the reduction in Network Upgrade cost assignment and associated reduction to Interconnection Customer's financial security requirements, under Article 11.5 of the QF-LGIA, due from Interconnection Customer to Transmission Provider.

Any repayment by Transmission Provider to Interconnection Customer under Article 11.4 of the QF-LGIA of amounts advanced for Network Upgrades after the Generating Facility achieves Commercial Operation shall be limited to Interconnection Customer's total amount of Network Upgrade costs paid and associated financial security provided to Transmission Provider under Article 11.5 of QF-LGIA.

3.6.1.2.5 Final Distribution of Withdrawal Penalty Funds.

If Withdrawal Penalty funds remain for the Cluster after the Withdrawal Penalty funds are applied to relevant study costs and net increases in shared cost assignments for Network Upgrades to remaining Interconnection Customers, Transmission Provider will return any remaining Withdrawal Penalty funds to the withdrawn Interconnection Customers in the same Cluster net of the amount of each withdrawn Interconnection Customer's Withdrawal Penalty funds applied to study costs and net increases in shared cost assignments for Network Upgrades to remaining Interconnection Customers.

3.7 Identification of Contingent Facilities.

3.7.1 Method for Identifying Contingent Facilities.

The Transmission Provider shall utilize the following method to identify a list of Contingent Facilities, if any, upon which the Interconnection Customer's costs, timing, or study findings are dependent. Such list is to be provided to Interconnection Customer at the conclusion of the Cluster Study pursuant to the requirements of this LGIP.

Step 1: In preparation for performing a Cluster Study, Transmission Provider will employ the following three methods to identify potential Contingent Facilities and make a list of potential Contingent Facilities:

- (a) reviewing any applicable Interconnection Study associated with generating facilities that have a higher queued interconnection request and determining whether any of those request(s) have unbuilt Interconnection Facilities and/or Network Upgrades that may be necessary to accommodate the Interconnection Customer's requested interconnection;
- (b) reviewing its 10-year transmission expansion plan and identifying any planned upgrades to its System which may be necessary to accommodate the Interconnection Customer's requested interconnection, and
- (c) coordinating with applicable Affected Systems to obtain from such Affected Systems any completed and available Affected System studies to determine what Contingent Facilities have been identified in such studies based on the Affected Systems' respective criteria.

Step 2: Contingent Facilities will be identified in the Cluster Study. The Transmission Provider will evaluate the potential Contingent Facilities utilizing the criteria and/or thresholds within the then current or applicable version of the NERC TPL-001 Standard and the WECC TPL-001 System Performance Regional Criteria, or their respective successor standards, for the specific studies to be accomplished.

The short circuit analysis will classify as Contingent Facilities any circuit breakers identified in a Cluster Study for a prior queued Interconnection Request as being above the fault current rating of the device which is further increased by 0.1 kA or more as a result of the addition of the proposed Generating Facility being evaluated.

The steady state load flow analysis will identify as Contingent Facilities any system improvements that are currently in Transmission Provider's transmission expansion plan and that without such improvements in place, the proposed Generating Facility causes an incremental, increase of loading of 1% or more post-contingency (e.g., N-1, N-1-G) of the thermal rating on the same transmission facilities.

In addition, the steady state load flow analysis for a Network Resource Interconnection Service Interconnection Request will identify as Contingent Facilities any Network Upgrades that were previously identified in the Cluster Study for a prior-queued Interconnection Request where the proposed Generating Facility causes an incremental increase of loading of 1% or more post-contingency (e.g., N-1, N-1-G) of the thermal rating on the same transmission facilities.

The short circuit analysis, stability analysis, or steady state load flow analysis, will classify as Contingent Facilities any System Protection Facilities identified in a Cluster Study for a prior-queued Interconnection Request which are also needed to

mitigate performance violations attributed to the Generating Facility being evaluated.

Step 3: Transmission Provider will publish the final list of Contingent Facilities, and associated studies, within the Cluster Study report.

3.7.2 Estimates Available for Contingent Facilities.

Upon request of Interconnection Customer, Transmission Provider shall provide the estimated costs of Interconnection Facilities and/or Network Upgrades and estimated in-service completion times of each Contingent Facility identified in the Cluster Study performed pursuant to this LGIP, if, and to the extent, Transmission Provider determines that such information is readily available and not commercially sensitive.

3.7.3 Inclusion of Contingent Facilities in the QF-LGIA.

Any Contingent Facilities identified for the Interconnection Customer at the conclusion of a Cluster Study, performed pursuant to this QF-LGIP, will subsequently be included in such Interconnection Customer's Large Generator Interconnection Agreement, to the extent they are still applicable.

3.9 Penalties for Failure to Meet Study Deadlines.

- (1) Article 3.9 of this QF-LGIP applies when a Cluster includes only Interconnection Requests that are subject to this QF-LGIP. If a Cluster includes at least one Interconnection Request subject to FERC's jurisdiction, then the study delay penalties included in the OATT govern and this Article 3.9 does not apply. Transmission Provider shall be subject to a penalty if it fails to complete a Cluster Study, Cluster Restudy, or Interconnection Facilities Study by the applicable deadline set forth in this QF-LGIP. Transmission Provider must pay the penalty for each late Cluster Study, Cluster Restudy, and Interconnection Facilities Study on a pro rata basis per Interconnection Request to all Interconnection Customer(s) included in the relevant study that did not withdraw, or were not deemed withdrawn, from Transmission Provider's interconnection queue before the missed study deadline, in proportion to each Interconnection Customer's final study cost. The study delay penalty for each late study shall be distributed no later than forty-five (45) Calendar Days after the late study has been completed.
- (2) For penalties assessed in accordance with this Article, the penalty amount will be equal to: \$1,000 per Business Day for delays of Cluster Studies beyond the applicable deadline set forth in this QF-LGIP; \$2,000 per Business Day for delays of Cluster Restudies beyond the applicable deadline set forth in this QF-LGIP; and \$2,500 per Business Day for delays of Interconnection Facilities Studies beyond the applicable deadline set forth in this QF-LGIP. The total amount of a penalty assessed under this Article shall not exceed: (a) one hundred percent

(100%) of the initial study deposit(s) received for all of the Interconnection Requests in the Cluster for Cluster Studies and Cluster Restudies; and (b) one hundred percent (100%) of the initial study deposit received for the single Interconnection Request in the study for Interconnection Facilities Studies.

- (3) Transmission Provider may appeal to the OPUC any penalties imposed under this Article. Any such appeal must be filed no later than forty-five (45) Calendar Days after the late study has been completed. While an appeal to the OPUC is pending, Transmission Provider shall remain liable for the penalty, but need not distribute the penalty until forty-five (45) Calendar Days after (1) the deadline for filing a rehearing request has ended, if no requests for rehearing of the appeal have been filed, or (2) the date that any requests for rehearing of the OPUC's decision on the appeal are no longer pending before the OPUC. The OPUC may excuse Transmission Provider from penalties under this Article for good cause.
- (4) No penalty will be assessed under this Article where a study is delayed by ten (10) Business Days or less. If the study is delayed by more than ten (10) Business Days, the penalty amount will be calculated from the first Business Day Transmission Provider misses the applicable study deadline.
- (5) If (a) Transmission Provider needs to extend the deadline for a particular study subject to penalties under this Article and (b) all Interconnection Customers included in the relevant study mutually agree to such an extension, the deadline for that study shall be extended thirty (30) Business Days from the original deadline. In such a scenario, no penalty will be assessed for Transmission Provider missing the original deadline.
- (6) No penalties shall be assessed until the third Cluster Study cycle (including any Transitional Cluster Study cycle, but not Transitional Serial Interconnection Facilities Studies) after the OPUC-approved effective date of Transmission Provider's filing.
- (7) Transmission Provider must maintain on its OASIS or its public website summary statistics related to penalties assessed under this Article, updated quarterly. For each calendar quarter, Transmission Provider must calculate and post: (1) the total amount of penalties assessed under this Article during the previous reporting quarter and (2) the highest penalty assessed under this Article paid to a single Interconnection Customer during the previous reporting quarter.

Transmission Provider must post on its OASIS or its website these penalty amounts for each calendar quarter within thirty (30) Calendar Days of the end of the calendar quarter. Transmission Provider must maintain the quarterly measures posted on its OASIS or its website for three (3) calendar years with the first required posting to be the third Cluster Study cycle (including any Transitional Cluster Study cycle, but not Transitional Serial Interconnection Facilities Studies) after Transmission Provider transitions to the Cluster Study Process.3.10 Utilization of Surplus Interconnection Service.

Transmission Provider must provide a process that allows an Interconnection Customer to utilize or transfer Surplus Interconnection Service at an existing Point of Interconnection. The original Interconnection Customer or one of its affiliates shall have priority to utilize Surplus Interconnection Service. If the existing Interconnection Customer or one of its affiliates does not exercise its priority, then that service may be made available to other potential Interconnection Customers.

3.10.1 Surplus Interconnection Service Request.

Surplus Interconnection Service requests may be made by the existing Interconnection Customer or one of its affiliates or may be submitted once Interconnection Customer has executed the QF-LGIA. Surplus Interconnection Service requests also may be made by another Interconnection Customer. Transmission Provider shall provide a process for evaluating Interconnection Requests for Surplus Interconnection Service. Studies for Surplus Interconnection Service shall consist of reactive power, short circuit/fault duty, stability analyses, and any other appropriate studies. Steady-state (thermal/voltage) analyses may be performed as necessary to ensure that all required reliability conditions are studied. If the Surplus Interconnection Service was not studied under off-peak conditions, off-peak steady state analyses shall be performed to the required level necessary to demonstrate reliable operation of the Surplus Interconnection Service. If the original System Impact Study report or Cluster Study Report is not available for the Surplus Interconnection Service, both off-peak and peak analysis may need to be performed for the existing Generating Facility associated with the request for Surplus Interconnection Service. The reactive power, short circuit/fault duty, stability, and steady-state analyses for Surplus Interconnection Service will identify any additional Interconnection Facilities and/or Network Upgrades necessary.

Transmission Provider shall study Surplus Interconnection Service requests for a Generating Facility that includes at least one electric storage resource using operating assumptions (i.e., whether the interconnecting Generating Facility will or will not charge at peak load) that reflect the proposed charging behavior of the Generating Facility as requested by Interconnection Customer, unless Transmission Provider determines that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions.

3.10.2 Submitting a Surplus Interconnection Service Request.

Any Surplus Interconnection Customer identified in 3.10.1 must first submit, in writing to Transmission Provider, a request for Surplus Interconnection Service. A completed request will consist of the following:

- a) A cover letter stating: (i) the identity of the Customer seeking Surplus Interconnection Service, (ii) the existing Point of Interconnection requested for Surplus Interconnection Service, the

identity of the original/existing Interconnection Customer, (iii) the Surplus Customer's affiliation, if any, to the original/existing Interconnection Customer and (iv) the amount of Surplus Interconnection Service the Surplus Interconnection Customer seeks to use;

- b) A completed application as outlined in Appendix 1 of the QF-LGIP;
- c) A letter of intent, signed by the original/existing Interconnection Customer, indicating: (i) such existing Interconnection Customer's intent to allow a specified portion of its original interconnection service to be used by the Surplus Interconnection Customer; (ii) the specified amount of Surplus Interconnection Service it is making available; (iii) when such Surplus Interconnection Service will be available; (iv) any conditions under which such Surplus Interconnection Service may be used; and (v) if the Surplus Interconnection Customer is anyone other than the original/existing Interconnection Customer or an affiliate of the original/existing Interconnection Customer, the letter must also include a statement that existing Interconnection Customer is waiving its priority right, on behalf of itself and any affiliate, to utilize such Surplus Interconnection; and
- d) Modeling data (in a format acceptable to Transmission Provider) for the Surplus Interconnection Service that it is requesting.

If the Surplus Interconnection Customer fails to provide a completed request to the Transmission Provider, the Transmission Provider will notify Surplus Interconnection Customer of the deficiencies and Surplus Interconnection Customer will have fifteen (15) Business Days, from the date on the Notice, to cure any deficiencies. Failure to timely cure all deficiencies will result in a withdrawal of request for Surplus Interconnection Service.

Following receipt of a completed Surplus Interconnection Service Request, Transmission Provider will process such Surplus Interconnection Service Request on an expedited basis and separately from other request pending in its interconnection queue. To do so, however, Surplus Interconnection Customer shall have the obligation to timely provide to Transmission Provider such other information as the Transmission Provider may reasonably request.

3.10.3 Scoping Meeting for Surplus Interconnection Service.

Within ten (10) Business Days after receipt of a valid Interconnection Request for Surplus Interconnection Service, Transmission Provider shall establish a date agreeable to original/existing 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 for Surplus Interconnection Service, unless otherwise mutually agreed upon by the parties. The purpose of the Scoping Meeting shall be to discuss the Surplus Interconnection Service that the original/existing Interconnection Customer is making available at such Point of Interconnection, and to exchange information including any studies and transmission data that would reasonably be expected to impact such interconnection. Transmission Provider, original/existing Interconnection Customer, and Surplus Interconnection customer will bring to the meeting any System Impact Studies and Facilities Studies that may have been performed for the original/existing Interconnection Customer, any existing QF-LGIA, and such technical data, including, but not limited to: (i) general facility loadings, (ii) general instability issues, (iii) general short circuit issues, (iv) general voltage issues, and (v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting. Transmission Provider, original/existing Interconnection Customer, and Surplus 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, Surplus Interconnection Customer shall provide to Transmission Provider its preferred plan of service for its use of Surplus Interconnection Service.

3.10.4 Surplus Interconnection Service System Impact Study.

Following the Scoping Meeting and provided the original/existing Interconnection Customer's System Impact Study is available, Transmission Provider will determine if the original System Impact Study is sufficient to evaluate the request for Surplus Interconnection Service. If the original System Impact Study is not available, or available but insufficient to enable Transmission Provider to evaluate the Surplus Interconnection Request, then, within five (5) Business Days, the Surplus Interconnection Customer will be provided a Surplus Interconnection Service System Impact Study Agreement (similar to form Appendix 4 of this QF-LGIP) obligating the Surplus Interconnection Customer to pay the actual costs of the Surplus Interconnection Service System Impact Study.

- 3.10.4.1 Within thirty (30) Calendar Days of receipt of the Surplus Interconnection Service System Impact Study Agreement from Transmission Provider, the Surplus Interconnection Customer will execute the Surplus Interconnection Service System Impact Study Agreement and shall return it to Transmission Provider, along with a deposit in the amount of \$50,000, or the request shall be deemed withdrawn.
- 3.10.4.2 Upon receipt of the executed Surplus Interconnection Service System Impact Study Agreement and deposit, Transmission Provider shall initiate the System Impact Study. The Surplus Interconnection Service System Impact Study shall consist of reactive power, short circuit/fault duty, stability analyses, harmonic analyses, and any other studies deemed

appropriate by Transmission Provider. As an example, steady-state (thermal/voltage) analyses may be performed as necessary to ensure that all required reliability conditions are studied. Transmission Provider shall utilize existing studies to the extent practicable in performing the Surplus Interconnection Service System Impact Study. The resulting Surplus Interconnection System Impact Study report will identify any additional Interconnection Facilities and findings that would affect eligibility for Surplus Interconnection Service (i.e. the need for Network Upgrades). Transmission Provider shall use reasonable efforts to complete the Surplus Interconnection System Impact Study and issue the report within ninety (90) Calendar Days after the receipt of the Surplus Interconnection System Impact Study Agreement, all modeling data, and required study deposit. At request of Surplus Interconnection Customer or at any time the Transmission Provider determines that it will not complete the Surplus Interconnection Service System Impact Study report within ninety (90) Calendar Days, the Transmission Provider shall notify the Surplus Interconnection Customer and provide an estimated completion date and an explanation of the reasons that additional time is required. Within ten (10) Business Days of providing a Surplus Interconnection Service System Impact Study report to the Surplus Interconnection Customer, the Transmission Provider, original/existing Interconnection Customer, and Surplus Interconnection Customer shall meet to discuss the results of the Surplus Interconnection Service System Impact Study. Alternatively, the Surplus Interconnection Customer may waive this meeting.

3.10.5 Surplus Interconnection Service Facilities Study.

- 3.10.5.1 If any interconnection Facilities and/or control technologies are identified as necessary in the Surplus Interconnection Service System Impact Study report for the utilization of the Surplus Interconnection Service, simultaneously with the delivery of the Surplus Interconnection Service Impact Study report to Surplus Interconnection Customer, Transmission Provider shall provide to Surplus Interconnection Customer a Surplus Interconnection Service Facilities Agreement (similar in form to that of Appendix 3 to this QF-LGIP). The Surplus Interconnection Service Interconnection Facilities Study Agreement shall provide that the Surplus Interconnection Customer shall compensate Transmission Provider for the actual cost of the Surplus Interconnection Service Facilities Study.
- 3.10.5.2 Surplus Interconnection Customer shall execute the Surplus Interconnection Service Facilities Study Agreement and deliver the executed Surplus Interconnection Service Facilities Study Agreement to Transmission Provider within thirty (30) Calendar Days after its receipt, together with an additional \$50,000 deposit to be used in preparation of the Surplus Interconnection Service Facilities Study and report.

- 3.10.5.3 Transmission Provider shall utilize existing studies to the extent practicable in performing the Surplus Interconnection Service Interconnection Facilities Study. Transmission provider shall use reasonable efforts to complete the Surplus Interconnection Service Facilities Study and issue the report within ninety (90) Calendar Days after receipt of the Surplus Interconnection Service Facilities Study Agreement and required study deposit, with a +/- 20 percent cost estimate contained in the Surplus Interconnection Service Interconnection Facilities Study report. If the Transmission Provider is unable to complete the Surplus Interconnection Service Facilities Study within the time required, it shall notify the Surplus Interconnection Customer and provide an estimated completion date with an explanation of the reasons the additional time is required.
- 3.10.5.4 Within ten (10) Business Days of providing a Surplus Interconnection Service Facilities Study to the Surplus Interconnection Customer, the Transmission Provider, original/existing Interconnection Customer, and Surplus Interconnection Customer shall meet to discuss the results of the Surplus Interconnection Service Facilities Study. Alternatively, the Surplus Interconnection Customer may waive the meeting.

3.10.6 Surplus Interconnection Service Large Generator Interconnection Agreement.

- 3.10.6.1 Within forty-five (45) Calendar Days of tendering the Surplus Interconnection Service Facilities Study, or the Surplus Interconnection System Impact Study if no additional interconnection facilities or control technologies are required, the Transmission Provider shall tender a draft Amended and Restated QG-LGIA together with draft appendices completed to the extent practicable to the original/existing Interconnection Customer and the Surplus Interconnection Customer that will be utilizing the Surplus Interconnection Service. The draft Amended and Restated QF-LGIA shall be in the form of the original/existing Interconnection Customer's OPUC-approved QF-LGIA and modified only to acknowledge and address aspects necessary to accommodate Surplus Interconnection Service for the Surplus Interconnection Customer. The existing and Surplus Interconnection Customer shall provide comments to the Transmission Provider within thirty (30) Calendar Days.
- 3.10.6.2 The Transmission Provider, original/existing Interconnection Customer, and Surplus Interconnection Customer shall negotiate any disputed provisions of the appendices to the draft Amended and Restated QF-LGIA for not more than sixty (60) Calendar Days after tender of the draft Amended and Restated QF-LGIA. If Surplus Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft QF-LGIA pursuant

to Article 11.1 and initiate Dispute Resolution procedures pursuant to Article 13.5. If Surplus 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 Surplus Interconnection Request. Unless otherwise agreed by the Parties, if Surplus Interconnection Customer has not executed the QF-LGIA, or initiated Dispute Resolution procedures pursuant to Article 13.5 within sixty (60) Calendar Days of tender of Amended and Restated QF-LGIA, it shall be deemed to have withdrawn its Surplus Interconnection Service Request. Transmission Provider shall provide to Interconnection Customer a final Amended and Restated QF-LGIA within fifteen (15) Business Days after the completion of the negotiation process.

Article 4. Interconnection Request Evaluation Process.

Once an Interconnection Customer has submitted a valid Interconnection Request pursuant to Article 3.3 of this QF-LGIP, such Interconnection Request shall become part of Transmission Provider's interconnection queue for further processing pursuant to the following procedures.

4.1 Queue Position

4.1.1 Assignment of Queue Position.

Transmission Provider shall assign a Queue Position as follows: the Queue Position within the queue shall be assigned based upon the date and time of receipt of all items required pursuant to the provisions of Article 3.3 of this QF-LGIP. All Interconnection Requests submitted and validated in a single Cluster Request Window shall be considered equally queued.

4.1.2 Higher Queue Position.

A higher Queue Position assigned to an Interconnection Request is one that has been placed "earlier" in the queue in relation to another Interconnection Request that is assigned a lower Queue Position. All requests studied in a single Cluster shall be considered equally queued. Interconnection Customers that are part of Clusters initiated earlier in time than an instant queue shall be considered to have a higher Queue Position than Interconnection Customers that are part of Clusters initiated later than an instant queue.

4.2 General Study Process.

Interconnection Studies performed within the Cluster Study Process 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 and consistent with Good Utility Practice.

Transmission Provider uses subgroups (Cluster Area) as necessary in the Cluster Study Process. Transmission Provider maintains the criteria used to define and determine Cluster Areas on its OASIS and/or public website.

4.2.1 Cost Allocation for Interconnection Facilities and Network Upgrades.

- (1) For Network Upgrades identified in Cluster Studies, Transmission Provider shall calculate each Interconnection Customer's share of the costs as follows:
 - (a) Substation Network Upgrades, including all switching stations, shall be allocated first per capita to Interconnection Facilities interconnecting to the substation at the same voltage level, and then per capita to each Generating Facility sharing the Interconnection Facility.
 - (b) System Network Upgrades shall be allocated based on the proportional impact of each individual Generating Facility in the Cluster Study on the need for a specific System Network Upgrade.
 - (i) Voltage support related network upgrades shall be allocated using a voltage impact analysis, which will identify each Generating Facility's contribution to the voltage violation.
 - (ii) Short circuit related network upgrades shall be assigned to all Interconnection Requests in that Cluster pro rata on the basis of the short circuit duty contribution of each Generating Facility.
 - (iii) Cost for any other System Network Upgrade, such as transmission lines, switches, line terminals, substation buses, etc. will be allocated using shift factor analysis.
- (2) The costs of any needed Interconnection Facilities identified in the Cluster Study Process will be directly assigned to Interconnection Customer(s) using such facilities. Where Interconnection Customers in the Cluster agree to share Interconnection Facilities, the cost of such Interconnection Facilities shall be allocated based on the number of Generating Facilities sharing use of such Interconnection Facilities on a per capita basis (i.e., on a per Generating Facility basis), unless Parties mutually agree to a different cost sharing arrangement.

4.3 Transferability of Queue Position.

An Interconnection Customer may transfer its Queue Position to another entity only if such entity acquires the specific Generating Facility identified in the Interconnection Request and the Point of Interconnection does not change.

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 in accordance with Articles 4.4.1, 4.4.2 or 4.4.5 of this QF-LGIP, or are determined not to be Material Modifications pursuant to Article 4.4.3 of this QF-LGIP.

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 prior to the return of the executed Cluster Study Agreement and Interconnection Customer shall retain its Queue Position.

4.4.1 Prior to the return of the executed Interconnection Cluster Study Agreement to Transmission Provider, modifications permitted under this Article shall include specifically: (a) a decrease of up to sixty percent (60%) of electrical output (MW) of the proposed project through either (1) a decrease in plant size or (2) a decrease in Interconnection Service level (consistent with the process described in Article 3.1 of this QF-LGIP) accomplished by applying Transmission-Provider-approved injection-limiting equipment; (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 in the next Cluster Request Window for the purposes of cost allocation and study analysis.

4.4.2 Prior to the return of the executed Interconnection Facilities Study Agreement to Transmission Provider, the modifications permitted under this Article shall include specifically: (a) additional fifteen percent (15%) decrease of electrical output (MW), through either (1) a decrease in plant size or (2) a decrease in Interconnection Service level (consistent with the process described in Article 3.1 of this QF-LGIP) accomplished by applying Transmission-Provider-approved injection-limiting equipment, (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; and (c) a Permissible Technological Advancement for the Large Generating Facility after the submission of the Interconnection Request. Article 4.4.6 of this QF-LGIP specifies a separate technological change procedure including the requisite information and process that will be followed to assess whether Interconnection Customer's proposed technological advancement under Article 4.4.2(c) of this QF-LGIP is a Material Modification. Article 1 of this QF-LGIP contains a definition of Permissible Technological Advancement.

4.4.3 Prior to making any modification other than those specifically permitted by Articles 4.4.1, 4.4.2, and 4.4.5 of this QF-LGIP, 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 deemed acceptable under Article 4.4 of this QF-LGIP or so allowed elsewhere, shall constitute a Material Modification. Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

Transmission Provider shall study the addition of a Generating Facility that includes at least one electric storage resource using operating assumptions (i.e., whether the interconnecting Generating Facility will or will not charge at peak load) that reflect the proposed charging behavior of the Generating Facility as requested by Interconnection Customer, unless Transmission Provider determines that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions.

4.4.3.1 Interconnection Customer may request, and Transmission Provider shall evaluate, the addition to the Interconnection Request of a Generating Facility with the same Point of Interconnection indicated in the initial Interconnection Request, if the addition of the Generating Facility does not increase the requested Interconnection Service level. Transmission Provider must evaluate such modifications prior to deeming them a Material Modification, but only if Interconnection Customer submits them prior to the return of the executed Interconnection Facilities Study Agreement by Interconnection Customer to Transmission Provider. Interconnection Customers requesting that such a modification be evaluated must demonstrate the required Site Control at the time such request is made.

4.4.4 Upon receipt of Interconnection Customer's request for modification permitted under this Article 4.4 of this QF-LGIP, Transmission Provider shall commence and perform any necessary additional studies as soon as practicable, but in no event shall Transmission Provider commence such studies 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. Any such request for modification of the Interconnection Request must be accompanied by any resulting updates to the models described in Attachment A to Appendix 1 of this QF-LGIP.

4.4.5 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. For purposes of this section, the Commercial Operation Date reflected in the initial Interconnection Request shall be used to calculate the permissible extension prior to Interconnection Customer executing a QF-LGIA. After a QF-LGIA is executed, the Commercial Operation Date reflected in the QF-LGIA shall be used to calculate the permissible extension. Such cumulative extensions may not exceed three years including both extensions requested after execution of the QF-LGIA by Interconnection Customer and those requested prior to execution of the QF-LGIA by Interconnection Customer.

4.4.6 Technological Change Procedure

At any time prior to the return of the executed Interconnection Facility Study Agreement to Transmission Provider, Interconnection Customer may request a modification under this Section 4.4.6, for incorporation of a technological advancement into its generating facility. To timely perfect that request, Interconnection Customer shall submit the following to Transmission Provider:

- 1) A written technological advancement request, specifying the change in technology the Interconnection Customer seeks to incorporate into its Interconnection Request;
- 2) A \$10,000 deposit;
- 3) An updated version of the Interconnection Request for a Large Generating Facility, found at Appendix 1 of this QF-LGIP, that reflects the data associated with the change in technology that Interconnection Customer seeks to incorporate;
- 4) Any analysis Interconnection Customer has that demonstrates how incorporation of the proposed technological advancement would (i) result in electrical performance that is equal to or better than the electrical performance expected prior to the technological change, and (ii) not cause any reliability concerns; and,
- 5) To the extent applicable, updated modeling data in General Electric (GE) Positive Sequence Load Flow format (PSLF) with DYD files, or in such other format as the Transmission Provider may agree to accept. Such data could include, but is not limited to:

Western Electricity Coordinating Council-approved dynamic models in General Electric (GE) Positive Sequence Load Flow (PSLF) format;

Technical specification sheet (“cut sheet”), including the specific unit being utilized;

Changes to the collector system including collector conductor data, collector layout, Generator Step Up Transformer (GSU) data, and unit/inverter transformer data required to develop an equivalent circuit; and

Reactive devices beyond the Point of Interconnection (POI).

Once the technological advancement request, deposit, and additional data are received by the Transmission Provider, the Transmission Provider is to evaluate whether the technological advancement is a Material Modification or whether further study is necessary to complete the analysis of whether the technological advancement is a Material Modification. If Transmission Provider determines that the proposed technological advancement would not change any of the parameters in Appendix 1 of the QF-LGIP, then no study will be necessary, the proposed advancement will not be considered a Material Modification, and the Interconnection Customer’s deposit will be refunded.

Should further studies be required, Transmission Provider’s studies may include steady-state, reactive power, short circuit/fault duty, stability analyses, and any other appropriate studies that Transmission Provider deems necessary to determine whether the technological advancement results in electrical performance that is equal to or better than the electrical performance expected prior to the technology change, and whether such technological advancement causes any reliability concerns. The Transmission Provider shall complete the assessment within thirty (30) days after Transmission Provider receives a perfected request for incorporation of the technological advancement that includes the deposit and the data outlined above. At the conclusion of the study, Transmission Provider is to provide an accounting of its costs to the Interconnection Customer and either refund any overage or invoice the Interconnection Customer for any shortage of costs that exceed the deposit amount.

If the Transmission Provider’s assessment determines that the change is a Permissible Technological Advancement, the Transmission Provider shall notify the Interconnection Customer and the Permissible Technological Advancement shall be incorporated without the loss of Interconnection Customer’s queue position. If, however, the Transmission Provider cannot accommodate the proposed technological advancement without triggering the Material Modification provision of this QF-LGIP, the Transmission Provider is to tender a report with the results of the steady-state analyses, reactive power capabilities, short

circuit/fault duty impacts, stability analyses, and any other studies that were completed, including an explanation of why the technological advancement is deemed a Material Modification. Once notified, the Interconnection Customer may choose whether to abandon the proposed modification or proceed and lose its queue position.

Article 5. New Transmission Provider.

If Transmission Provider transfers control of its Transmission System to a successor Transmission Provider during the period when an Interconnection Request is pending, the original Transmission Provider shall transfer to the successor Transmission Provider any amount of the deposit or payment with interest thereon that exceeds the cost that it incurred to evaluate the request for interconnection. Any difference between such net amount and the deposit or payment required by this QF-LGIP shall be paid by or refunded to the Interconnection Customer, as appropriate. The original Transmission Provider shall coordinate with the successor Transmission Provider to complete any Interconnection Study, as appropriate, that the original Transmission Provider has begun but has not completed. If Transmission Provider has tendered a draft QF-LGIA to Interconnection Customer but Interconnection Customer has not executed the QF-LGIA, unless otherwise provided, Interconnection Customer must complete negotiations with the successor Transmission Provider.

Article 6. Interconnection Information Access.

6.1 Publicly Posted Interconnection Information.

Transmission Provider shall maintain and make publicly available: (1) an interactive visual representation of the estimated incremental injection capacity (in megawatts) available at each point of interconnection in Transmission Provider's footprint under N-1 conditions, and (2) a table of metrics concerning the estimated impact of a potential Generating Facility on Transmission Provider's Transmission System based on a user-specified addition of a particular number of megawatts at a particular voltage level at a particular point of interconnection. At a minimum, for each transmission facility impacted by the user-specified megawatt addition, the following information will be provided in the table: (1) the distribution factor; (2) the megawatt impact (based on the megawatt values of the proposed Generating Facility and the distribution factor); (3) the percentage impact on each impacted transmission facility (based on the megawatt values of the proposed Generating Facility and the facility rating); (4) the percentage of power flow on each impacted transmission facility before the injection of the proposed project; (5) the percentage power flow on each impacted transmission facility after the injection of the proposed Generating Facility. These metrics must be calculated based on the power flow model of the Transmission System with the transfer simulated from each point of interconnection to the whole Transmission Provider's footprint (to approximate Network Resource Interconnection Service), and with the incremental capacity at each point of interconnection decremented by the existing and queued Generating Facilities (based on the existing or requested interconnection service limit of the generation). These metrics must be updated within thirty (30) Calendar Days after the completion of

each Cluster Study and Cluster Restudy. This information must be publicly posted, without a password or a fee. The website will define all underlying assumptions, including the name of the most recent Cluster Study or Restudy used in the Base Case.

Article 7. Cluster Study

7.1 Cluster Study Agreement.

No later than five (5) Business Days after the close of a Cluster Request Window, Transmission Provider shall tender to each Interconnection Customer that submitted a valid Interconnection Request a Cluster Study Agreement in the form of Appendix 2 to this QF-LGIP. The Cluster Study Agreement shall require Interconnection Customer to compensate Transmission Provider for the actual cost of the Cluster Study pursuant to Article 13.3 of this QF-LGIP. The specifications, assumptions, or other provisions in the appendices of the Cluster Study Agreement provided pursuant to Article 7.1 of this QF-LGIP shall be subject to change by Transmission Provider following the conclusion of the Scoping Meeting.

7.2 Execution of Cluster Study Agreement.

Interconnection Customer shall execute the Cluster Study Agreement and deliver the executed Cluster Study Agreement to Transmission Provider no later than the close of the Customer Engagement Window.

If Interconnection Customer does not provide all required technical data when it delivers the Cluster Study Agreement, Transmission Provider shall notify Interconnection Customer of the deficiency within five (5) Business Days of the receipt of the executed Cluster Study Agreement and 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 Cluster Study Agreement or study deposit.

7.3 Scope of Cluster Study.

The Cluster Study shall evaluate the impact of the proposed interconnection on the reliability of the Transmission System. The Cluster 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 Cluster 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 a QF-LGIA, or pursuant to Transmission Provider's OATT, have executed a LGIA.

For purposes of determining necessary Interconnection Facilities and Network Upgrades, the Cluster Study shall use the level of Interconnection Service requested by Interconnection Customers in the Cluster, except where Transmission Provider

otherwise determines that it must study the full Generating Facility Capacity due to safety or reliability concerns.

The Cluster Study will consist of power flow, stability, and short circuit analyses, the results of which are documented in a single Cluster Study Report, as applicable. At the conclusion of the Cluster Study, Transmission Provider shall issue a Cluster Study Report.

The Cluster Study Report 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 Cluster Study Report shall identify the Interconnection Facilities and Network Upgrades expected to be required to reliably interconnect the Generating Facilities in that Cluster Study at the requested Interconnection Service level and shall provide non-binding cost estimates for required Network Upgrades. The Cluster Study Report shall identify each Interconnection Customer's estimated allocated costs for Interconnection Facilities and Network Upgrades pursuant to the method in Article 4.2.1 of this QF-LGIP. Transmission Provider shall hold a Cluster Study Report Meeting pursuant to Article 7.4 of this QF-LGIP.

For purposes of determining necessary Interconnection Facilities and Network Upgrades, the Cluster Study shall use operating assumptions (i.e., whether the interconnecting Generating Facility will or will not charge at peak load) that reflect the proposed charging behavior of a Generating Facility that includes at least one electric storage resource as requested by Interconnection Customer, unless Transmission Provider determines that Good Utility Practice, including Applicable Reliability Standards, otherwise requires the use of different operating assumptions. Transmission Provider may require the inclusion of control technologies sufficient to limit the operation of the Generating Facility per the operating assumptions as set forth in the Interconnection Request and to respond to dispatch instructions by Transmission Provider. As determined by Transmission Provider, Interconnection Customer may be subject to testing and validation of those control technologies consistent with Article 6 of the QF-LGIA.

The Cluster Study shall evaluate the use of static synchronous compensators, static VAR compensators, advanced power flow control devices, transmission switching, synchronous condensers, voltage source converters, advanced conductors, and tower lifting. Transmission Provider shall evaluate each identified alternative transmission technology and determine whether the above technologies should be used, consistent with Good Utility Practice, Applicable Reliability Standards, and Applicable Laws and Regulations. Transmission Provider shall include an explanation of the results of Transmission Provider's evaluation for each technology in the Cluster Study Report.

The Cluster Study Report will provide a list of facilities that are required as a result of the Interconnection Requests within a Cluster and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

7.4 Cluster Study Procedures.

Transmission Provider shall coordinate the Cluster Study with any Affected System Operator that is affected by the Interconnection Request pursuant to Article 3.5 above. Transmission Provider shall utilize existing studies to the extent practicable when it performs the study. Interconnection Requests for a Cluster Study must be received before the close of the Cluster Request Window and Transmission Provider shall initiate the Cluster Study process pursuant to Article 4.2.

Transmission Provider shall complete the Cluster Study within one hundred fifty (150) Calendar Days of the close of the Customer Engagement Window.

Within ten (10) Business Days of simultaneously furnishing a Cluster Study Report to each Interconnection Customer within the Cluster and posting such report on OASIS, Transmission Provider shall convene a Cluster Study Report Meeting.

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 Cluster Study, Transmission Provider shall notify Interconnection Customers as to the schedule status of the Cluster Study. If Transmission Provider is unable to complete the Cluster Study within the time period, it shall notify Interconnection Customers and provide an estimated completion date with an explanation of the reasons why additional time is required.

Upon request, Transmission Provider shall provide to Interconnection Customers all supporting documentation, workpapers and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases for the Cluster Study, subject to confidentiality arrangements consistent with Article 13.1 of this QF-LGIP.

7.5 Cluster Study Restudies.

- (1) Within twenty (20) Calendar Days after the Cluster Study Report Meeting, Interconnection Customer must provide the following:
 - (a) Demonstration of continued Site Control pursuant to Article 3.3.2(iii) of this QF-LGIP; and
 - (b) An additional deposit that brings the total Commercial Readiness Deposit submitted to Transmission Provider to five percent (5%) of Interconnection Customer's Network Upgrade cost assignment identified in the Cluster Study in the form of an irrevocable letter of credit, cash, a surety bond, or other form of security that is

reasonably acceptable to Transmission Provider. Transmission Provider shall refund the deposit to Interconnection Customer upon withdrawal in accordance with Article 3.6 of this QF-LGIP.

Interconnection Customer shall promptly inform Transmission Provider of any material change to Interconnection Customer's demonstration of Site Control under Article 3.3.2(iii) of this QF-LGIP. Upon Transmission Provider determining that Interconnection Customer no longer satisfies the Site Control requirement, Transmission Provider shall notify Interconnection Customer. Within ten (10) Business Days of such notification, Interconnection Customer must demonstrate compliance with the applicable requirement subject to Transmission Provider's approval, not to be unreasonably withheld. Absent such demonstration, Transmission Provider shall deem the Interconnection Request withdrawn pursuant to Article 3.6 of this QF-LGIP.

- (2) If no Interconnection Customer withdraws from the Cluster after completion of the Cluster Study or Cluster Restudy or is deemed withdrawn pursuant to Article 3.6 of this QF-LGIP after completion of the Cluster Study or Cluster Restudy, Transmission Provider shall notify Interconnection Customers in the Cluster that a Cluster Restudy is not required.
- (3) If one or more Interconnection Customers withdraw from the Cluster or are deemed withdrawn pursuant to Article 3.6 of this QF-LGIP, Transmission Provider shall determine if a Cluster Restudy is necessary within thirty (30) Calendar Days after the Cluster Study Report Meeting. If Transmission Provider determines a Cluster Restudy is not necessary, Transmission Provider shall notify Interconnection Customers in the Cluster that a Cluster Restudy is not required and Transmission Provider shall provide an updated Cluster Study Report within thirty (30) Calendar Days of such determination.
- (4) If one or more Interconnection Customers withdraws from the Cluster or is deemed withdrawn pursuant to Article 3.6 of this QF-LGIP, and Transmission Provider determines a Cluster Restudy is necessary as a result, Transmission Provider shall notify Interconnection Customers in the Cluster and post on OASIS that a Cluster Restudy is required within thirty (30) Calendar Days after the Cluster Study Report Meeting. Transmission Provider shall continue with such restudies until Transmission Provider determines that no further restudies are required. If an Interconnection Customer withdraws or is deemed withdrawn pursuant to Article 3.6 of this QF-LGIP during the Interconnection Facilities Study, or after other Interconnection Customers in the same Cluster have executed QF-LGIAs or LGIAs, as applicable, and Transmission Provider determines a Cluster Restudy is necessary, the Cluster shall be restudied. If a Cluster Restudy is required due to a higher queued project withdrawing from the queue, or a

modification of a higher or equally queued project subject to Article 4.4 of this QF-LGIP, Transmission Provider shall so notify affected Interconnection Customers in writing. Except as provided in Article 3.6 of this QF-LGIP in the case of withdrawing Interconnection Customers, any cost of Restudy shall be borne by Interconnection Customers being restudied.

- (5) The scope of any Cluster Restudy shall be consistent with the scope of an initial Cluster Study pursuant to Article 7.3 of this QF-LGIP. Transmission Provider shall complete the Cluster Restudy within one hundred fifty (150) Calendar Days of Transmission Provider informing Interconnection Customers in the Cluster that restudy is needed. The results of the Cluster Restudy shall be combined into a single report (Cluster Restudy Report). Transmission Provider shall hold a meeting with Interconnection Customers in the Cluster (Cluster Restudy Report Meeting) within ten (10) Business Days of simultaneously furnishing the Cluster Restudy Report to each Interconnection Customer in the Cluster Restudy and publishing the Cluster Restudy Report on OASIS.

If additional restudies are required, Interconnection Customer and Transmission Provider shall follow the procedures of this Article 7.5 until such time that Transmission Provider determines that no further restudies are required. Transmission Provider shall notify each Interconnection Customer within the Cluster when no further restudies are required.

Article 8. Interconnection Facilities Study

8.1 Interconnection Facilities Study Agreement.

Within five (5) Business Days following Transmission Provider notifying each Interconnection Customer within the Cluster that no further Cluster Restudy is required (per Article 7.5 of this QF-LGIP), Transmission Provider shall provide to Interconnection Customer an Interconnection Facilities Study Agreement in the form of Appendix 3 to this QF-LGIP. Interconnection Customer shall compensate Transmission Provider for the actual cost of the Interconnection Facilities Study.

Within five (5) Business Days following the Cluster Report Meeting or Cluster Restudy Report meeting if applicable, Transmission Provider shall provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study.

Interconnection Customer shall execute the Interconnection Facilities Study Agreement and deliver the executed Interconnection Facilities Study Agreement to Transmission Provider within thirty (30) Calendar Days after its receipt, together with:

- (1) any required technical data; and

- (2) Demonstration of one-hundred percent (100%) Site Control or demonstration of a regulatory limitation and applicable deposit in lieu of Site Control provided to Transmission Provider in accordance with Article 3.3.2 of this QF-LGIP; and
- (3) An additional deposit that brings the total Commercial Readiness Deposit submitted to Transmission Provider to ten percent (10%) of Interconnection Customer's Network Upgrade cost assignment identified in the Cluster Study or Cluster Restudy, if applicable, in the form of an irrevocable letter of credit, cash, a surety bond, or other form of security that is reasonably acceptable to Transmission Provider. Transmission Provider shall refund the deposit to Interconnection Customer upon withdrawal in accordance with Article 3.7 of this QF-LGIP.

Interconnection Customer shall promptly inform Transmission Provider of any material change to Interconnection Customer's demonstration of Site Control under Article 3.3.2(iii) of this QF-LGIP. Upon Transmission Provider determining separately that Interconnection Customer no longer satisfies the Site Control requirement, Transmission Provider shall notify Interconnection Customer. Within ten (10) Business Days of such notification, Interconnection Customer must demonstrate compliance with the applicable requirement subject to Transmission Provider's approval, not to be unreasonably withheld. Absent such demonstration, Transmission Provider shall deem the subject Interconnection Request withdrawn pursuant to Article 3.6 of this QF-LGIP.

8.2 Scope of Interconnection Facilities Study.

The Interconnection Facilities Study shall be specific to each Interconnection Request and performed on an individual, i.e., non-clustered, basis. The Interconnection Facilities Study shall specify and provide a non-binding estimate of the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Cluster Study Report (and any associated restudies) in accordance with Good Utility Practice 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, Network Upgrades, and Distribution Upgrades necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities. The Interconnection Facilities Study will also identify any potential control equipment for requests to study a Generating Facility that includes at least one electric storage resource using operating assumptions (i.e., whether the interconnecting Generating Facility will or will not charge at peak load) that reflect its proposed charging behavior, as requested by Interconnection Customer, unless Transmission Provider determines that Good Utility Practice, including Applicable Reliability Standards, otherwise require the use of different operating assumptions.

8.3 Interconnection Facilities Study Procedures.

Transmission Provider shall coordinate the Interconnection Facilities Study with any Affected System Operator pursuant to Article 3.5 above. Transmission Provider shall utilize existing studies to the extent practicable in performing the Interconnection Facilities Study. Transmission Provider shall complete the study and issue a draft Interconnection Facilities Study Report to Interconnection Customer within the following number of days after receipt of an executed Interconnection Facilities Study Agreement, provided that Transmission Provider has determined that no restudy is required pursuant to Article 8.5 of this QF-LGIP: ninety (90) Calendar Days after receipt of an executed Interconnection Facilities Study Agreement, with no more than a +/- twenty percent (20%) cost estimate contained in the report; or one hundred eighty (180) Calendar Days, if Interconnection Customer requests a +/- ten percent (10%) cost estimate. If the Interconnection Facilities Study Report is due on a non-Business Day, Transmission Provider shall issue the report on the first Business Day following the day the Interconnection Facilities Study Report would otherwise be due.

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 Interconnection Facilities Study Report, provide written comments to Transmission Provider, which Transmission Provider shall include in completing the final Interconnection Facilities Study Report. Transmission Provider shall issue the final Interconnection Facilities Study Report within fifteen (15) Business Days of receiving Interconnection Customer's comments or promptly upon receiving Interconnection Customer's statement that it will not provide comments. Transmission Provider may reasonably extend such fifteen-day period upon notice to Interconnection Customer if Interconnection Customer's comments require Transmission Provider to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Study Report. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation, workpapers, and databases or data developed in the preparation of the Interconnection Facilities Study, subject to confidentiality arrangements consistent with Article 13.1 of this QF-LGIP.

8.4 Meeting with Transmission Provider.

Within ten (10) Business Days of providing a draft Interconnection Facilities Study Report to Interconnection Customer, Transmission Provider and Interconnection Customer shall meet to discuss the results of the Interconnection Facilities Study.

8.5 Restudy.

If restudy of the Interconnection Facilities Study is required due to a higher or equally queued project withdrawing from the queue or a modification of a higher queued project pursuant to Article 4.4 of this QF-LGIP, Transmission Provider shall so notify Interconnection Customer in writing. Transmission Provider shall ensure that such restudy takes no longer than sixty (60) Calendar Days from the date of notice. Except as provided in Article 3.6 of this QF-LGIP in the case of withdrawing Interconnection Customers, any cost of Restudy shall be borne by Interconnection Customer being restudied.

Article 9. Engineering & Procurement ('E&P') Agreement

Prior to executing a QF-LGIA, an Interconnection Customer may, in order to advance the implementation of its interconnection, request and Transmission Provider shall 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. However, Transmission Provider shall not be obligated to offer an E&P Agreement if Interconnection Customer is in Dispute Resolution as a result of an allegation that Interconnection Customer has failed to meet any milestones or comply with any prerequisites specified in other parts of the QF-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: (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.

Article 10. Optional Interconnection Study

10.1 Optional Interconnection Study Agreement.

On or after the date when Interconnection Customer receives Cluster Study results, Interconnection Customer may request, and Transmission Provider shall perform a reasonable number of Optional Interconnection Studies. The request shall describe the assumptions that Interconnection Customer wishes Transmission Provider to study within the scope described in Article 10.2 of this QF-LGIP. Within five (5) Business Days after receipt of a request for an Optional Interconnection Study, Transmission Provider shall provide to Interconnection Customer an Optional Interconnection Study Agreement in the form of Appendix 4.

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 as to the type of 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 Operator 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 Studies 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 technical data and a \$10,000 deposit to Transmission Provider.

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, Distribution Upgrades, 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 the types of Interconnection Services that are 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 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. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation and workpapers and databases or data developed in the preparation of the Optional Interconnection Study, subject to confidentiality arrangements consistent with Article 13.1 of this QF-LGIP.

Article 11. Standard Oregon Qualifying Facility Large Generator Interconnection Agreement (QF-LGIA)

11.1 Tender.

As provided in Article 8.3, Interconnection Customer shall tender comments on the draft Interconnection Facilities Study Report within thirty (30) Calendar Days of receipt of the report. Within thirty (30) Calendar Days after the Interconnection Customer's comments are submitted or after Interconnection Customer notifies, Transmission Provider that it will not provide comments, Transmission Provider shall tender a draft QF-LGIA, together with draft appendices completed to the extent practicable. The draft QF-LGIA shall be in the form of Transmission Provider's OPUC-approved standard form QF-LGIA, which is in Appendix 5. Interconnection Customer shall execute and return, the completed draft appendices within thirty (30) Calendar Days, unless the sixty (60) Calendar Day negotiation period under Article 11.2 of this QF-LGIP has commenced or upon a later date agreed upon between the Parties.

11.2 Negotiation.

Notwithstanding Article 11.1, at the request of Interconnection Customer Transmission Provider shall begin negotiations with Interconnection Customer concerning the appendices to the QF-LGIA at any time after Interconnection Customer executes the Interconnection Facilities Study Agreement. Transmission Provider and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft QF-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 QF-LGIA pursuant to Article 11.1 and initiate Dispute Resolution procedures pursuant

to Article 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 QF-LGIA, or initiated Dispute Resolution procedures pursuant to Article 13.5 within sixty (60) Calendar Days of tender of draft QF-LGIA, it shall be deemed to have withdrawn its Interconnection Request. Transmission Provider shall provide to Interconnection Customer a final QF-LGIA within fifteen (15) Business Days after the completion of the negotiation process.

11.2.1 Delay in QF-LGIA Execution to Await Affected System Study Report.

If Interconnection Customer has not received its Affected System Study Report from the Affected System Operator prior to the date that it would be required to execute its QF-LGIA pursuant to Article 11.1 of this QF-LGIP, Transmission Provider shall, upon request of Interconnection Customer, extend this deadline to thirty (30) Calendar Days after Interconnection Customer's receipt of the Affected System Study Report. If Interconnection Customer, after delaying QF-LGIA execution, to await Affected System Study Report, decides to proceed to QF-LGIA execution without those results, it may notify Transmission Provider of its intent to proceed with QF-LGIA execution pursuant to Article 11.1 of this QF-LGIP. If Transmission Provider determines that further delay to the QF-LGIA execution date would cause a material impact on the cost or timing of an equal- or lower-queued Interconnection Customer, Transmission Provider must notify Interconnection Customer of such impacts and set the deadline to execute the QF-LGIA to thirty (30) Calendar Days after such notice is provided.

11.3 Execution and Filing.

Simultaneously with submitting the executed QF-LGIA to Transmission Provider, Interconnection Customer shall provide Transmission Provider with the following: (1) demonstration of continued Site Control pursuant to Article 3.3.2(iii) of this QF-LGIP; and (2) the QF-LGIA Deposit equal to twenty percent (20%) of Interconnection Customer's estimated Network Upgrade costs identified in the draft QF-LGIA minus the total amount of Commercial Readiness Deposits that Interconnection Customer has provided to Transmission Provider for its Interconnection Request.. Transmission Provider shall use QF-LGIA Deposit as (or as a portion of) Interconnection Customer's security, required under QF-LGIA Article 11.5. Interconnection Customer may not request to suspend its QF-LGIA under QF-LGIA Article 5.16 until Interconnection Customer has provided (1) and (2) to Transmission Provider. If Interconnection Customer fails to provide (1) and (2) to Transmission Provider within the thirty (30) Calendar Days allowed for returning the executed QF-LGIA and appendices under QF-LGIP Article 11.1, the Interconnection Request will be deemed withdrawn pursuant to Article 3.6 of this QF-LGIP.

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 election if Interconnection Customer selected Network Resource Interconnection Service, has been achieved (unless such milestone is inapplicable due to the characteristics of the Generating Facility):

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

If Interconnection Customer selected Energy Resource Interconnection Service, Interconnection Customer shall provide an attestation that it has executed a non-standard Qualifying Facility contract for the sale of electric energy or capacity from the Large Generating Facility. The attestation must be signed by the Interconnection Customer and the counterparty to the non-standard Qualifying Facility contract. Notwithstanding Article 11.2, if Interconnection Customer selecting Energy Resource Interconnection Service has not executed the QF-LGIA, or initiated Dispute Resolution procedures pursuant to Article 13.5 within one hundred twenty (120) Calendar Days of tender of the final QF-LGIA, with optional 30-Calendar Day extensions upon agreement of

Interconnection Customer and Transmission Provider, it shall be deemed to have withdrawn its Interconnection Request.

At the same time, Interconnection customer also shall provide reasonable evidence that it has obtained certification as a Qualifying Facility pursuant to 18 C.F.R. § 292.207.

Interconnection Customer shall execute two originals of the tendered QF-LGIA and return them to Transmission Provider.

11.4 Commencement of Interconnection Activities.

If Interconnection Customer executes the final QF-LGIA, Transmission Provider and Interconnection Customer shall perform their respective obligations in accordance with the terms of the QF-LGIA, subject to modification by OPUC.

Article 12. Construction of Transmission Provider's Interconnection Facilities, Distribution Upgrades, 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, Distribution Upgrades, 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 Distribution Upgrades and 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 a QF-LGIA, in order to maintain its In-Service Date, may request that Transmission Provider advance to the extent necessary 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; provided that Interconnection Customer commits to pay Transmission Provider: (i) any associated expediting costs and (ii) the cost of such Network Upgrades. The entity with a contractual obligation to construct such Network Upgrades ("Obligated Entity") shall be obligated to pay Transmission Provider for

such Network Upgrades. Payment by the Obligated Entity shall be due on the date that its payment would have been due had there been no request for advance construction. Transmission Provider shall forward to Interconnection Customer the amount paid by the Obligated Entity. If Transmission Provider's interconnection agreement, if any, with the Obligated Entity requires Transmission Provider to refund the Obligated Entity for amounts paid for Network Upgrades, Transmission Provider then shall refund to the Obligated Entity the amount that it paid for the Network Upgrades, in accordance with said interconnection agreement.

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

An Interconnection Customer with an QF-LGIA, in order to maintain its In-Service Date, may request that Transmission Provider advance to the extent necessary 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 Transmission Provider, 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; provided that Interconnection Customer commits to pay Transmission Provider any associated expediting costs.

12.2.4 Amended Interconnection Facilities Study or Cluster Study Report.

An Interconnection Facilities Study Report or Interconnection Cluster Study Report, as applicable to the project, will be amended to determine the facilities necessary to support the requested In-Service Date. This amended study report will include those transmission and Large Generating Facilities that are expected to be in service on or before the requested In-Service Date.

Article 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 QF-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 of its information. The release of Confidential Information shall be subject to Applicable Laws and Regulations and Applicable Reliability Standards.

13.1.1 Scope.

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of the QF-LGIA; or (6) is required, in accordance with Article 13.1.6 of this QF-LGIP, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under the QF-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.

Neither Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by the Standards of Conduct requirements), employees, consultants, or to parties who may be or considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of Interconnection Customer, on a need-to-know basis in connection with these procedures, unless such person has first been advised of the confidentiality provisions of this Article 13.1 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Article 13.1.

13.1.3 Rights.

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

13.1.4 No Warranties.

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

13.1.5 Standard of Care.

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

13.1.6 Order of Disclosure.

If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires either Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Party with prompt notice of such request(s) or requirement(s) so that the other Party may seek an appropriate protective order or waive compliance with the terms of the QF-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 Article 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 Article 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 Article 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 Article 13.1.

13.1.8 Disclosure to OPUC or its Staff.

Notwithstanding anything in this Article 13.1 to the contrary, if the OPUC 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 QF-LGIP, the Party shall provide the requested information to the OPUC or its staff, within the time provided for in the request for information. In providing the information to the OPUC or its staff, the Party must, consistent with OAR 860-011-0080, request that the information be treated as confidential and non-public by the OPUC and its staff and that the information be withheld from public disclosure. Parties must notify the other Party prior to the release of the Confidential Information to the OPUC or its staff. The Party shall notify the other Party to the QF-LGIA when it is notified by the OPUC or its staff that a request to release Confidential Information has been received by the OPUC, at which time either of the Parties may respond before such information would be made public, pursuant to OAR 860-011-0080. Requests from FERC, in the course of conducting an investigation, shall be treated in a similar manner, consistent with applicable federal rules and regulations.

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

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

13.1.11 Transmission Provider shall, at Interconnection Customer's election, destroy, in a confidential manner, or return the Confidential Information provided at the time of Confidential Information is no longer needed.

13.2 Delegation of Responsibility.

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

In the event an Interconnection Customer withdraws its Interconnection Request prior to the commencement of the Cluster Study, Interconnection Customer must pay Transmission Provider the actual costs of processing its Interconnection Request.

In the event an Interconnection Customer withdraws after the commencement of the Cluster Study, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Studies. The costs of any interconnection study conducted on a clustered basis shall be allocated among each Interconnection Customer within the cluster as follows:

- (i) 20% allocated per capita in the Cluster or Cluster Area, as applicable;
- (ii) 80% allocated pro rata by megawatts (MW) in the Cluster or Cluster Area, as applicable.

Any difference between the study deposit and the actual cost of the Interconnection Studies shall be paid by or refunded to, except as otherwise provided herein, Interconnection Customers. Any invoices for Interconnection Studies shall include a detailed and itemized accounting of the cost of each Interconnection Study. Interconnection Customer shall pay any such undisputed costs within thirty (30) Calendar Days of receipt of an invoice therefor. If Interconnection Customer fails to pay such undisputed costs within the time allotted, its Interconnection Request shall be deemed withdrawn from the Cluster Study Process and will be subject to Withdrawal Penalties pursuant to Article 3.6 of this QF-LGIP.

13.4 Third Parties Conducting Studies.

If (i) at the time of the signing of an Interconnection Study Agreement there is disagreement as to the estimated time to complete an Interconnection Study, (ii) Interconnection Customer receives notice pursuant to Articles 6.3, 7.4 or 8.3 that Transmission Provider will not complete an Interconnection Study within the applicable timeframe for such Interconnection Study, or (iii) Interconnection Customer receives

neither the Interconnection Study nor a notice under Articles 6.3, 7.4 or 8.3 within the applicable timeframe for such Interconnection Study, then Interconnection Customer may require Transmission Provider to utilize a third party consultant reasonably acceptable to Interconnection Customer and Transmission Provider to perform such Interconnection Study under the direction of Transmission Provider. At other times, Transmission Provider may also utilize a third party consultant to perform such Interconnection Study, either in response to a general request of Interconnection Customer, or on its own volition.

In all cases, use of a third party consultant shall be in accord with Article 26 of the QF-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 workpapers, data bases, study results and all other supporting documentation prepared to date with respect to the Interconnection Request as soon as soon as practicable upon Interconnection Customer's request subject to the confidentiality provision in Article 13.1.

In any case, such third party contract may be entered into with either Interconnection Customer or Transmission Provider at Transmission Provider's discretion. In the case of the circumstances described in (iii) above, Interconnection Customer maintains its right to submit a claim to Dispute Resolution to recover the costs of such third party study. Such third party consultant shall be required to comply with this QF-LGIP, Article 26 of the QF-LGIA (Subcontractors), and the relevant procedures and protocols as would apply if Transmission Provider were to conduct the Interconnection Study and shall use the information provided to it solely for purposes of performing such services and for no other purposes. Transmission Provider shall cooperate with such third party consultant and Interconnection Customer to complete and issue the Interconnection Study in the shortest reasonable time.

13.5 Disputes.

13.5.1 Submission.

In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with the QF-LGIA, the QF-LGIP, 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 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 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 QF-LGIA.

13.5.2 Arbitration of Disputes.

(1) An interconnecting public utility or an interconnection applicant may petition the Commission for arbitration of disputes arising during review of an application to interconnect a large generator facility or during negotiation of an interconnection agreement. If the public utility or the applicant petitions the Commission to arbitrate their dispute, then the Commission will use an administrative law judge (ALJ) as arbitrator unless workload constraints necessitate the use of an outside arbitrator.

(2) A petition for arbitration of an interconnection agreement must contain: (a) A statement of all unresolved issues; (b) A description of each party's position on the unresolved issues; and (c) A proposed agreement addressing all issues, including those on which the parties have reached agreement and those that are in dispute.

(3) A petition for arbitration of a dispute arising during review of an application to interconnect a large generator facility must contain: (a) A statement of all unresolved issues; (b) A description of each party's position on the unresolved issues; and (c) A proposed resolution for each unresolved issue.

(4) Respondent may file a response within twenty-five (25) Calendar Days of the petition for arbitration. In the response, the respondent must address each issue listed in the petition, describe the respondent's position on those issues, and present any additional issues for which the respondent seeks resolution.

(5) The filing of a petition for arbitration of a dispute arising during review of an application to interconnect a large generator facility does not affect the application's queue position.

(6) The arbitration is conducted in a manner similar to a contested case proceeding, and the arbitrator has the same authority to conduct the arbitration process as an AU has in conducting hearings under the Commission's rules, but the arbitration process is streamlined. The arbitrator holds an early conference to discuss processing of the case. The arbitrator establishes the schedule and decides whether an oral hearing is necessary. After the oral hearing or other procedures (for example, rounds of comments), each party submits its final proposed interconnection agreement or resolution of disputed issues. The arbitrator chooses between the two final offers. If neither offer is consistent with applicable statutes, Commission rules, and Commission policies, then the arbitrator will make a decision that meets those requirements.

(7) The arbitrator may allow formal discovery only to the extent deemed necessary. Parties are required to make good faith attempts to exchange information relevant to any disputed issue in an informal, voluntary, and prompt manner. Unresolved discovery disputes are resolved by the arbitrator upon request of a party. The arbitrator will order a party to provide information if the arbitrator determines the requesting party has a reasonable need for the requested information and that the request is not overly burdensome.

(8) Only the two negotiating parties have full party status. The arbitrator may confer with Commission staff for assistance throughout the arbitration process.

(9) To keep the process moving forward, appeals to the Commission are not allowed during the arbitration process. An arbitrator may certify a question to the Commission if the arbitrator believes it is necessary.

(10) To accommodate the need for flexibility, the arbitrator may use different procedures so long as the procedures are fair, treat the parties equitably, and substantially comply with the procedures listed here.

(11) The arbitrator must serve the arbitration decision on the interconnecting public utility and the interconnection applicant. The parties may file comments on the arbitration decision with the Commission within ten (10) Calendar Days after service.

(12) The Commission must accept, reject, or modify an arbitration decision within thirty (30) Calendar Days after service of the decision.

(13) Within fourteen (14) Calendar Days after the Commission issues an order on a petition for arbitration of an interconnection agreement, the petitioner must prepare an interconnection agreement complying with the terms of the decision and serve it on respondent. Respondent must either sign and file the interconnection agreement or file objections to it within ten (10) Calendar Days of service of the agreement. If objections are filed, respondent must state how the interconnection agreement fails to comply with the Commission order and offer substitute language complying with the decision. The Commission must approve or reject a filed interconnection agreement within twenty (20) Calendar Days of its filing or the agreement is deemed approved.

(14) If petitioner, without respondent's consent, fails to timely prepare and serve an interconnection agreement on respondent, respondent may file a motion requesting the Commission dismiss the petition for arbitration with prejudice. The Commission may grant such motion if the petitioner's failure to timely prepare and serve the interconnection agreement was the result of inexcusable neglect on the part of petitioner.

(15) The public utility and the applicant may agree to hire an outside arbitrator rather than file a petition with the Commission pursuant to Article 13.5.3.

13.5.3 External Arbitration Procedures.

An external 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 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 13, the terms of this Article 13 shall prevail.

13.5.4 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 therefore. The arbitrator (s) shall be authorized only to interpret and apply the provisions of the QF-LGIA and QF-LGIP and shall have no power to modify or change any provision of the QF-LGIA and QF-LGIP 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 ORS 36.600 to ORS 36.740.

13.5.5 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.

13.6 Local Furnishing Bonds.

13.6.1 Transmission Providers That Own Facilities Financed by Local Furnishing Bonds.

This provision is applicable only to a Transmission Provider that has financed facilities for the local furnishing of electric energy with tax-exempt bonds, as described in Article 142(f) of the Internal Revenue Code ("local furnishing bonds"). Notwithstanding any other provision of this QF-LGIA and QF-LGIP, Transmission Provider shall not be required to provide Interconnection Service to Interconnection Customer pursuant to this QF-LGIA and QF-LGIP if the provision of such Interconnection Service would jeopardize the tax-exempt status of any local furnishing bond(s) 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 local furnishing bond(s) 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 5.2(ii) of Transmission Provider's OATT.

APPENDIX 1 to QF-LGIP
INTERCONNECTION REQUEST FOR A
QF LARGE GENERATING FACILITY

1. The undersigned Interconnection Customer submits this request to interconnect its Large Generating Facility which is a Qualifying Facility with Transmission Provider's Transmission System pursuant to Transmission Provider's QF-LGIP.
2. This Interconnection Request is for (check one):
____ A proposed new Large Generating Facility that is a Qualifying Facility.
____ An increase in the generating capacity or a Material Modification of an existing Generating Facility that is a Qualifying Facility.
3. The type of interconnection service requested (check one):

____ Network Resource Interconnection Service.

____ Check here only if Interconnection Customer requesting Network Resource Interconnection Service also seeks to have its Generating Facility studied for Energy Resource Interconnection Service.
4. ____ Check here if Interconnection Customer has initiated the process of certifying the Large Generating Facility as a Qualifying Facility as provided in 18 C.F.R. 292.207.
5. Interconnection Customer provides the following information:
 - a. Requested name of proposed new Generating Facility:
 - b. 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:
 - c. 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:

Max Summer MW: _____
Max Winter MW: _____
Max MW: _____
 - d. General description of the equipment configuration:
 - e. Commercial Operation Date (Day, Month, and Year):

f. Contact Information for Interconnection Customer's contact person:

Interconnection

Customer:

Contact Name:

Address:

Telephone Number(s):

Email Address:

Secondary Contact:

g. Approximate location of the proposed Point of Interconnection and interconnection voltage:

h. Interconnection Customer Data (set forth in Attachment A).

i. Primary frequency response operating range for electric storage resources:

j. If applicable, (1) the requested operating assumptions (i.e., whether the interconnecting Generating Facility will or will not charge at peak load) to be used by Transmission Provider that reflect the proposed charging behavior of a Generating Facility that includes at least one electric storage resource, and (2) a description of any control technologies (software and/or hardware) that will limit the operation of the Generating Facility to its intended operation.

6. Applicable deposit amount as specified in the QF-LGIP.

7. Evidence of Site Control as specified in the QF-LGIP (check one):

_____ Is attached to this Interconnection Request.

_____ Will be provided at a later date in accordance with this QF-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**

QF LARGE GENERATING FACILITY DATA

UNIT RATINGS

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

Primary frequency response operating range for electric storage resources:

Minimum State of Charge: _____

Maximum State of Charge: _____

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = _____ kW sec/kVA
 Moment-of-Inertia, WR^2 = _____ lb. ft.²

REACTANCE DATA (PER UNIT-RATED KVA)

	DIRECT AXIS	QUADRATURE AXIS
Synchronous -- saturated	X_{dv} _____	X_{qv} _____
Synchronous -- unsaturated	X_{di} _____	X_{qi} _____
Transient saturated	X'_{dv} _____	X'_{qv} _____
Transient -- unsaturated	X'_{di} _____	X'_{qi} _____
Subtransient -- saturated	X''_{dv} _____	X''_{qv} _____
Subtransient -- unsaturated	X''_{di} _____	X''_{qi} _____
Negative Sequence -- saturated	X_{2v} _____	
Negative Sequence -- unsaturated	X_{2i} _____	
Zero Sequence -- saturated	X_{0v} _____	
Zero Sequence unsaturated	X_{0i} _____	
Leakage Reactance	X_{lm} _____	

FIELD TIME CONSTANT DATA (SEC)

Open Circuit

T'_{do} _____

T'_{qo} _____

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

ARMATURE TIME CONSTANT DATA (SEC)

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

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

MW CAPABILITY AND PLANT CONFIGURATION 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 QF-LGIP CLUSTER STUDY AGREEMENT

THIS AGREEMENT is made and entered into on ____ by and between, ____ a ____ organized and existing under the laws of the State of ____, ("Interconnection Customer,") and ____ a ____ existing under the laws of the State of ____, ("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 a Cluster 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 OPUC-approved QF-LGIP.
- 2.0 Interconnection Customer elects and Transmission Provider shall cause to be performed a Cluster Study consistent with Article 7.0 of this QF-LGIP in accordance with the Tariff.
- 3.0 The scope of the Cluster Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Cluster Study will be based upon the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Article 4.4 of the QF-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 Cluster Study.
- 5.0 The Cluster Study Report shall provide the following information:

- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
- identification of any thermal overload or voltage limit violations resulting from the interconnection;
- identification of any instability or inadequately damped response to system disturbances resulting from the interconnection and
- description and non-binding, good faith estimated cost of facilities required to interconnect the Large Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.

6.0 Transmission Provider's good faith estimate for the time of completion of the Cluster Study is 150 Calendar Days.

Upon receipt of the Cluster Study Report, Transmission Provider shall charge and Interconnection Customer shall pay its share of the actual costs of the Cluster Study, consistent with Article 13.3 of this QF-LGIP.

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

7.0 Miscellaneous. The Cluster Study Agreement shall include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, that reflect best practices in the electric industry, that are consistent with regional practices, Applicable Laws and Regulations and the organizational nature of each Party. All of these provisions, to the extent practicable, shall be consistent with the provisions of the QF-LGIP and the QF-LGIA.

IN WITNESS THEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of Transmission Provider or Transmission Owner, if applicable]

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

**APPENDIX 3 to QF-LGIP
INTERCONNECTION FACILITIES STUDY AGREEMENT**

THIS AGREEMENT is made and entered into on ____, by and between ____, a ____ organized and existing under the laws of the State of ____, ("Interconnection Customer") and ____ a ____ organized and existing under the laws of the State of ____, ("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, Transmission Provider has completed a Cluster Study (the "Cluster 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 Cluster 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 OPUC-approved QF-LGIP.
- 2.0 Interconnection Customer elects and Transmission Provider shall cause an Interconnection Facilities Study consistent with Article 8.0 of this QF-LGIP.
- 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, instability, and power flow issues identified in the Cluster Study.

5.0 Interconnection Customer shall pay the actual costs of the Interconnection Facilities Study.

Interconnection Customer shall execute the Interconnection Facilities Study Agreement and deliver the executed Interconnection Facilities Study Agreement to Transmission Provider within thirty (30) Calendar Days after its receipt, together with:

- (1) any required technical data; and
- (2) Demonstration of one-hundred percent (100%) Site Control or demonstration of a regulatory limitation and applicable deposit in lieu of Site Control provided to Transmission Provider in accordance with Article 3.3.2 of the QF-LGIP; and
- (3) An additional deposit that brings the total Commercial Readiness Deposit submitted to Transmission Provider to ten percent (10%) of Interconnection Customer's Network Upgrade cost assignment identified in the Cluster Study or Cluster Restudy, if applicable, in the form of an irrevocable letter of credit, cash, a surety bond, or other form of security that is reasonably acceptable to Transmission Provider.

6.0 The time for completion of the Interconnection Facilities Study is specified in Attachment A.

7.0 Miscellaneous. The Interconnection Facilities Study Agreement shall include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, that reflect best practices in the electric industry, and that are consistent with regional practices, Applicable Laws and Regulations, and the organizational nature of each Party. All of these provisions, to the extent practicable, shall be consistent with the provisions of the QF-LGIP and the QF-LGIA.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of Transmission Provider or Transmission Owner, if applicable]

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Attachment A to Appendix 3
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:

- ninety (90) 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.

**Attachment B to Appendix 3
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: _____

Select the type of interconnection service requested (check one):

_____ Energy Resource Interconnection Service
_____ Network Resource Interconnection Service

Please provide proposed schedule dates:

Begin Construction	Date: _____
Generator step-up transformer receives back feed power	Date: _____
Generation Testing	Date: _____
Commercial Operation	Date: _____

APPENDIX 4 to QF-LGIP
OPTIONAL INTERCONNECTION STUDY AGREEMENT

THIS AGREEMENT is made and entered into on ____ by and between ____, a ____ organized and existing under the laws of the State of ____, ("Interconnection Customer") and ____ a ____ organized and existing under the laws of the State of ____, ("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 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 Cluster 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 OPUC-approved QF-LGIP.
- 2.0 Interconnection Customer elects and Transmission Provider shall cause an Optional Interconnection Study consistent with Article 10.0 of this QF-LGIP.
- 3.0 The scope of the Optional Interconnection Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Optional Interconnection Study shall be performed solely for informational purposes.
- 5.0 The Optional Interconnection Study report shall provide a sensitivity analysis based on the assumptions specified by 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 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 [insert date].

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. The Optional Interconnection Study Agreement shall include standard miscellaneous terms including, but not limited to, indemnities, representations, disclaimers, warranties, governing law, amendment, execution, waiver, enforceability and assignment, that reflect best practices in the electric industry, and that are consistent with regional practices, Applicable Laws and Regulations, and the organizational nature of each Party. All of these provisions, to the extent practicable, shall be consistent with the provisions of the QF-LGIP and the QF-LGIA.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

[Insert name of Transmission Provider or Transmission Owner, if applicable]

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

[Insert name of Interconnection Customer]

By:

Title:

Date:

Appendix 5 to the Qualifying Facility Large Generator Interconnection Procedures

STANDARD QUALIFYING FACILITY LARGE GENERATOR INTERCONNECTION AGREEMENT

THIS STANDARD QUALIFYING FACILITY LARGE GENERATOR INTERCONNECTION AGREEMENT ("Agreement" or "QF-LGIA") is made and entered into on ____ by and between _____, a _____ organized and existing under the laws of the State/Commonwealth of _____ ("Interconnection Customer" with a Large Generating Facility), and _____, a _____ organized and existing under the laws of the State/Commonwealth of _____ ("Transmission Provider and/or Transmission Owner"). Interconnection Customer and Transmission Provider each may be referred to singly 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 has completed the certification process for the Generating Facility as a qualifying cogeneration facility or qualifying small power production facility ("Qualifying Facility" or "QF") within the meaning of sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 796 and 824a-3; and

WHEREAS, the Oregon Public Utility Commission has jurisdiction to establish minimum criteria that a qualifying cogeneration facility or qualifying small power production facility must meet in order to operate in Oregon; and

WHEREAS, Interconnection Customer and Transmission Provider have agreed to enter into this QF-LGIA 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 QF-LGIA, terms with initial capitalization that are not defined in Article I shall have the meanings specified in the Article in which they are used.

Article 1. Definitions

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

Affected System shall mean an electric system other than 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.

Affected System Study shall mean the evaluation of Affected System Interconnection Customers' proposed interconnection(s) to a transmission system other than Transmission Provider's Transmission System that have an impact on Transmission Provider's Transmission System, as described in Article 3.5 of the QF-LGIP.

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.

Agreement shall mean this QF-LGIA entered into by and between Interconnection Customer and Transmission Provider.

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 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 Standards shall mean the requirements and guidelines of the Electric Reliability Organization, and the Balancing Authority Area of the Transmission System to which the Generating Facility is directly interconnected.

Balancing Authority shall mean an entity that integrates resource plans ahead of time, maintains demand and resource 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 Transmission Provider or Interconnection Customer.

Breach shall mean the failure of a Party to perform or observe any material term or condition of the QF-LGIA,

Breaching Party shall mean a Party that is in Breach of the QF-LGIA.

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

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

Cluster shall mean a group of one or more Interconnection Requests that are studied together for the purpose of conducting a Cluster Study.

Cluster Restudy shall mean a restudy of a Cluster Study conducted pursuant to Section 7.5 of the QF-LGIP.

Cluster Study shall mean the evaluation of one or more Interconnection Requests within a Cluster as described in Article 7 of the QF-LGIP.

Clustering shall mean the process whereby one or more Interconnection Requests are studied together, instead of serially, as described in Article 7 of the QF-LGIP.

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 QF-LGIA.

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

Contingent Facilities shall mean those unbuilt Interconnection Facilities and Network Upgrades upon which the Interconnection Request's costs, timing, and study findings are dependent, and if delayed or not built, could cause a need for restudies of the Interconnection Request or a reassessment of the Interconnection Facilities and/or Network Upgrades and/or costs and timing.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with Article 17 of the QF-LGIA.

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.

Distribution System shall mean 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 Transmission Provider's Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Generating Facility. Distribution Upgrades do not include Interconnection Facilities.

Effective Date shall mean the date on which the QF-LGIA becomes effective upon execution by the Parties.

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

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to Transmission Provider's Transmission System, Transmission Provider's Interconnection Facilities or the electric systems of others to which 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 QF-LGIA to possess black start capability.

Energy Resource Interconnection Service shall mean an Interconnection Service that allows Interconnection Customer to connect its Generating Facility to Transmission Provider's Transmission System to be eligible to deliver the Generating Facility's electric output using the existing firm or nonfirm capacity of 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 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 (FERC) 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 or devices for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include Interconnection Customer's Interconnection Facilities. The Generating Facility is and shall remain a Qualifying Facility. For purposes of allocating costs for Interconnection Facilities and Network Upgrades, the term Generating Facility includes all Generating Facilities included in the same Cluster, whether studied pursuant to the QF-LGIP or Transmission Providers' OATT.

Generating Facility Capacity shall mean the net capacity of the Generating Facility or the aggregate net capacity of the Generating Facility where it includes production and/or storage for later injection of electricity.

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

Governmental Authority shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include Interconnection Customer, Transmission Provider, 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 Interconnection Customer reasonably expects it will be ready to begin use of Transmission Provider's Interconnection Facilities to obtain back feed power.

Interconnection Customer shall mean the entity identified in the first paragraph of this QF-LGIA that proposes to interconnect its Generating Facility with Transmission Provider's Transmission System. For purposes of Cost Allocation for Interconnection Facilities and Network Upgrades pursuant to Article 4.2.1 of the QF-LGIP, the Optional Interconnection Study process conducted pursuant to Article 10 of the QF-LGIP, the Cluster Study process conducted pursuant to Article 7 of the QF-LGIP, and the allocation of study costs pursuant to Article 13.3 of the QF-LGIP, "Interconnection Customer" shall also mean any Generating Facility that is participating in a Cluster and any Generating Facility interconnecting under Transmission Provider's OATT. For purposes of Withdrawal Penalties pursuant to Article 3.6 of the QF-LGIP, "Interconnection Customer" shall also mean any Large Generating Facility interconnecting under Transmission Provider's OATT.

Interconnection Customer's Interconnection Facilities or ICIF shall mean all facilities and equipment, as identified in Appendix A of the QF-LGIA, 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 Transmission Provider's Transmission System. Interconnection Customer's Interconnection Facilities are sole use facilities.

Interconnection Facilities shall mean Transmission Provider's Interconnection Facilities and 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 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 Transmission Provider or a third party consultant for Interconnection Customer to determine a list of facilities (including Transmission Provider's Interconnection Facilities, Distribution Upgrades and Network Upgrades as identified in the Cluster Study), the cost of those facilities, and the time required to interconnect the Generating Facility with Transmission Provider's Transmission System. The scope of the study is defined in Article 8 of the QF-LGIP.

Interconnection Facilities Study Agreement shall mean the form of agreement contained in Appendix 3 of the QF-LGIP for conducting the Interconnection Facilities Study.

Interconnection Facilities Study Report shall mean the report issued following completion of an Interconnection Facilities Study pursuant to Article 8.3 of this QF-LGIP.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to the QF-LGIP, 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 Transmission Provider's Transmission System. For purposes of Cost Allocation for Interconnection Facilities and Network Upgrades pursuant to Article 4.2.1 of the QF-LGIP, the Optional Interconnection Study process conducted pursuant to Article 10 of the QF-LGIP, the Cluster Study process conducted pursuant to Article 7 of the QF-LGIP, and the allocation of study costs pursuant to Article 13.3 of the QF-LGIP, "Interconnection Customer" shall also mean any Generating Facility that is participating in a Cluster and any Generating Facility interconnecting under Transmission Provider's OATT. For purposes of Withdrawal Penalties pursuant to Article 3.6 of the QF-LGIP, "Interconnection Customer" shall also mean any Generating Facility interconnecting under Transmission Provider's OATT.

Interconnection Service shall mean the service provided by Transmission Provider associated with interconnecting Interconnection Customer's Generating Facility to 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 QF-LGIA and, if applicable, Transmission Provider's OATT.

Interconnection Study shall mean any of the following studies: the Cluster Study, the Cluster Restudy, Surplus Interconnection Service Study, and the Interconnection Facilities Study described in the QF-LGIP.

IRS shall mean the Internal Revenue Service.

Large Generator Interconnection Agreement or LGIA shall mean the form of interconnection agreement applicable to an Interconnection Request under the Transmission Provider's OATT pertaining to a Large Generating Facility that is not a Qualifying Facility.

Large Generator Interconnection Procedures or LGIP shall mean the interconnection procedures contained in the Transmission Provider's OATT that are applicable to an Interconnection Request pertaining to a Large Generating Facility.

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

Loss shall mean any and all losses relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's performance, or non-performance of its obligations under the QF-LGIA 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 an equal or later Queue Position.

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

Net Output shall mean all energy and capacity produced by the Generating Facility and delivered to the Point of Delivery, net of transformation, transmission, or other losses, if any, and less Station Power.

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

Network Resource Interconnection Service shall mean an Interconnection Service that allows Interconnection Customer to integrate its Large Generating Facility with Transmission Provider's Transmission System (1) in a manner comparable to that in which Transmission Provider integrates its generating facilities to serve native load customers; or (2) in an RTO or ISO with market based congestion management, in the same manner as all other Network Resources. Network Resource Interconnection Service in and of itself does not convey transmission service.

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

Obligated Entity shall mean the entity with a contractual obligation to construct Network Upgrades.

OATT shall mean the Transmission Provider's Open Access Transmission Tariff on file with the Federal Energy Regulatory Commission ("FERC").

OPUC shall mean the Public Utility Commission of Oregon.

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

Optional Interconnection Study Agreement shall mean the form of agreement contained in Appendix 4 of the QF-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 QF-LGIA, where Interconnection Customer's Interconnection Facilities connect to Transmission Provider's Interconnection Facilities.

Point of Delivery shall mean the point on Transmission Provider's Transmission System where capacity and energy will be made available to Transmission Provider.

Point of Interconnection shall mean the point, as set forth in Appendix A to the QF-LGIA, where the Interconnection Facilities connect to Transmission Provider's Transmission System.

Power System Stabilizers shall have the meaning designated in the guidelines and procedures established by the applicable Reliability Council.

Power Purchase Agreement ("PPA") shall mean a separate agreement between Transmission Provider and Interconnection Customer, the terms of which govern the sale by the Interconnection Customer and the purchase by the Transmission Provider of the Net Output of the Interconnection Customer's Qualifying Facility, pursuant to the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 796 and 824a-3.

Proportional Impact Method shall mean a technical analysis conducted by Transmission Provider to determine the degree to which each Generating Facility in the Cluster Study contributes to the need for a specific System Network Upgrade.

QF-LGIA shall mean the Qualifying Facility Large Generator Interconnection Agreement.

QF-LGIA Deposit shall mean the deposit Interconnection Customer submits when returning the executed LGIA, in accordance with Section 11.3 of the LGIP.

QF-LGIP shall mean the Qualifying Facility Large Generator Interconnection Procedures applicable to any large Generating Facility that is also a Qualifying Facility and which seeks to interconnect to the Transmission Provider's Transmission System or Distribution system in Oregon.

Qualifying Facility or QF shall mean a qualifying cogeneration facility or qualifying small power production facility within the meaning of sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 796 and 824a-3.

Queue Position shall mean the order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, established pursuant to Section 4.1 of the QF-LGIP.

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the QF-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 Interconnection Customer(s) and Transmission Provider conducted for the purpose of discussing the proposed Interconnection Request and any alternative interconnection options, exchanging information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, refining information and models provided by Interconnection Customer(s), discussing the Cluster Study materials posted to OASIS pursuant to Section 3.4 of the QF-LGIP, and analyzing such information.

Site Control shall mean the exclusive land right to develop, construct, operate, and maintain the Generating Facility over the term of expected operation of the Generating Facility. Site Control may be demonstrated by documentation establishing: (1) ownership of a leasehold interest in, or a right to develop a site of sufficient size to construct and operate the Generating Facility; (2) an option to purchase or acquire a leasehold site of sufficient size to construct and operate the Generating Facility; or (3) any other documentation that clearly demonstrates the right of Interconnection Customer to exclusively occupy a site of sufficient size to construct and operate the Generating Facility. Transmission Provider will maintain acreage requirements for each Generating Facility type on its OASIS or public website.

Small Generating Facility shall mean a Generating Facility that has a Generating Facility Capacity of no more than 10 MW.

Stand Alone Network Upgrades shall mean Network Upgrades that are not part of an Affected System that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. Both Transmission Provider and Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the QF-LGIA. If Transmission Provider and Interconnection Customer disagree about whether a particular Network Upgrade is a Stand Alone Network Upgrade, Transmission Provider must provide Interconnection Customer a written technical explanation outlining why Transmission Provider does not consider the Network Upgrade to be a Stand Alone Network Upgrade within fifteen (15) Business Days of its determination.

Station Power shall mean electric power used in the process of producing power at Interconnection Customer's Generating Facility, including but not limited to the electric power necessary for auxiliary equipment such as pumps, blowers, fans, fuel transportation systems, similar auxiliary systems that are a necessary and integral part of the power production process, and other parasitic loads involved in the generating process.

Substation Network Upgrades shall mean Network Upgrades that are required at the substation located at the Point of Interconnection.

Surplus Interconnection Service shall mean any unneeded portion of Interconnection Service established in a Standard QF-Large Generator Interconnection Agreement, such that if Surplus Interconnection Service is utilized, the total amount of Interconnection Service at the Point of Interconnection would remain the same.

System Network Upgrades shall mean Network Upgrades that are required beyond the substation located at the Point of Interconnection.

System Protection Facilities shall mean the equipment, including necessary protection signal communications equipment, required to protect (1) 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 Transmission Provider's Transmission System or on other delivery systems or other generating systems to which Transmission Provider's Transmission System is directly connected.

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 QF-LGIA to the extent necessary.

Transmission Provider shall mean the public utility (or its designated agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate commerce and provides transmission service under the OATT. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from Transmission Provider.

Transmission Provider's Interconnection Facilities shall mean all facilities and equipment owned, controlled, or operated by Transmission Provider from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the QF-LGIA, 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 System shall mean the facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide transmission service under the OATT.

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.

Withdrawal Penalty shall mean the penalty assessed by Transmission Provider to an Interconnection Customer that chooses to withdraw or is deemed withdrawn from Transmission Provider's interconnection queue or whose Generating Facility does not otherwise reach Commercial Operation. The calculation of the Withdrawal Penalty is set forth in Section 3.6.1 of the QF-LGIP.

Article 2. Effective Date, Term, and Termination

2.1 Effective Date.

This QF-LGIA shall become effective upon execution by the Parties.

2.2 Term of Agreement.

Subject to the provisions of Article 2.3, this QF-LGIA shall remain in effect for a period of ten (10) years from the Effective Date or such other longer period as agreed upon by the parties (Term to be specified in individual agreements) and shall be automatically renewed for each successive one-year period thereafter.

2.3 Termination Procedures.

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

2.3.2 Default. Either Party may terminate this QF-LGIA in accordance with Article 17.

2.3.3 Notwithstanding Articles 2.3.1 and 2.3.2, no termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination.

2.3.4 Change in Qualifying Facilities Status

Interconnection Customer has represented that its Generating Facility is a Qualifying Facility. As a Qualifying Facility selling its Net Output exclusively to Transmission Provider, the OPUC has regulatory authority over the interconnection of the Generating Facility with Transmission Provider's Transmission System. If, at any time during the term of this QF-LGIA, all or a portion of the output of the Qualifying Facility is scheduled to be, or is, sold to someone other than Transmission Provider, then regulatory authority for this interconnection will fall

under the jurisdiction of the FERC and this QF-LGIA shall terminate upon the date such electric output from the Generating Facility is first produced for sale to such other party, and no later than sixty (60) days prior to such termination date, Interconnection Customer shall enter into a new Large Generator Interconnection Agreement with Transmission Provider pursuant to Transmission Provider's OATT. Interconnection Customer acknowledges and agrees that it may take substantially more than sixty (60) days to submit an interconnection request and complete any required portions of the interconnection process under the Transmission Provider's OATT before the Transmission Provider can offer the Interconnection Customer a new Large Generator Interconnection Agreement under the OATT. Interconnection Customer is responsible for initiating the interconnection process under the Transmission Provider's OATT early enough to allow for completion of the interconnection process before the Interconnection Customer requires a new Large Generator Interconnection Agreement under this Article 2.3.4.

2.4 Termination Costs. If a Party elects to terminate this QF-LGIA pursuant to Article 2.3 above, each Party shall pay all costs incurred on its behalf (including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment) or charges assessed by the other Party, as of the date of the other Party's receipt of such notice of termination, that are the responsibility of the Terminating Party under this QF-LGIA. In the event of termination by a Party, the Parties shall use commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this QF-LGIA, unless otherwise ordered or approved by the OPUC:

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 contracts for construction of, such facilities; provided that in the event Interconnection Customer elects not to authorize such cancellation, Interconnection Customer shall assume all payment obligations with respect to such materials, equipment, and contracts, and Transmission Provider shall deliver such material and equipment, and, if necessary, assign such contracts, to Interconnection Customer as soon as practicable, at Interconnection Customer's expense. To the extent that Interconnection Customer has already paid Transmission 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 such materials, equipment, or contracts.

If an Interconnection Customer terminates this QF-LGIA, it shall be responsible for all costs incurred in association with that Interconnection Customer's interconnection, including any cancellation costs relating to orders or contracts for Interconnection Facilities and equipment, and other expenses including any

Network Upgrades for which Transmission 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 QF-LGIA, Interconnection Customer shall be responsible for all costs associated with the removal, relocation or other disposition or retirement of such materials, equipment, or facilities.

2.5 Disconnection. Upon termination of this QF-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 QF-LGIA or such non-terminating Party otherwise is responsible for these costs under this QF-LGIA.

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

Article 3. Regulatory Filings

3.1 Filing. Transmission Provider shall file this QF-LGIA (and any amendment hereto) with the OPUC. Interconnection Customer may request that any information so provided be subject to the confidentiality provisions of Article 22. If Interconnection Customer has executed this QF-LGIA, or any amendment thereto, Interconnection Customer shall reasonably cooperate with Transmission Provider with respect to such filing and to provide any information reasonably requested by Transmission Provider needed to comply with applicable regulatory requirements.

3.2 Recordkeeping and Reporting Requirements.

(1) The public utility must maintain a record of the following information for at least two years: (a) The number of complete large generator interconnection applications received; (b) The time required to complete the review process for each application; and (c) The reasons for the approval or denial of each application.

(2) For as long as an interconnection customer's large generator facility is interconnected to a public utility's transmission or distribution system, the interconnecting public utility

must maintain copies of the interconnection application, interconnection agreement, and certificate of completion for the large generator facility. The public utility must provide a copy of the interconnection customer's records to the interconnection customer within fifteen (15) Business Days after receipt of a written request.

(3) The public utility must submit an annual report to the Commission summarizing the public utility's interconnection activities for the previous calendar year. The annual report must be filed by May 30 and must include the following information: (a) The number of complete large generator interconnection applications received; (b) The number of large generator facility interconnections completed; (c) The types of large generator facilities applying for interconnection and the nameplate capacity of the facilities; (d) The interconnection facilities required to accommodate the interconnection of a large generator facility and the estimated costs of those facilities; and (e) The system upgrades required to accommodate the interconnection of a large generator facility and the estimated costs of those upgrades.

Article 4. Scope of Service

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

4.1.1 Energy Resource Interconnection Service.

4.1.1.1 The Product. Energy Resource Interconnection Service allows Interconnection Customer to connect the 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. To the extent Interconnection Customer wants to receive Energy Resource Interconnection Service, Transmission Provider shall construct facilities identified in Appendix A.

4.1.1.2 Transmission Delivery Service Implications. Under Energy Resource Interconnection Service, Interconnection Customer will be eligible to inject power from the 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 megawatts 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. No transmission delivery service from the Large Generating Facility is assured, but Interconnection Customer may obtain Point-to-Point Transmission Service, Network Integration Transmission Service, or be used for secondary network transmission service, pursuant to Transmission Provider's OATT, 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 delivery service must be obtained pursuant to the provisions of Transmission Provider's OATT. 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 or Network Integration Transmission Service may require the construction of additional Network Upgrades.

4.1.2 Network Resource Interconnection Service.

4.1.2.1 The Product. Transmission Provider must conduct the necessary studies and construct the Network Upgrades needed to integrate the Large Generating Facility in a manner comparable to that in which Transmission Provider integrates its generating facilities to serve native load customers in the same manner as all other Network Resources. To the extent Interconnection Customer wants to receive Network Resource Interconnection Service, Transmission Provider shall construct the facilities identified in Appendix A.

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

would be associated with a request for delivery service under the OATT, cost responsibility for the studies and upgrades would be in accordance with FERC's policy for pricing transmission delivery services.

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

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 QF-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 QF-LGIA for its compliance therewith. If such Party is a Transmission Provider or Transmission Owner, then that Party shall amend the QF-LGIA and if required by the OPUC, submit the amendment to the OPUC for approval.

4.4 No Transmission Delivery Service; No Agreement to Purchase Output. The execution of this QF-LGIA does not constitute a request for, nor the provision of, any transmission delivery service under Transmission Provider's OATT, and does not convey any right to deliver electricity to any specific customer or Point of Delivery. Additionally, the execution of the QF-LGIA does not constitute an agreement to purchase the Net Output or any portion of the output of the Large Generating Facility

4.5 Interconnection Customer Provided Services. The services provided by Interconnection Customer under this QF-LGIA are set forth in Article 9.6 and Article 13.41 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 either the Standard Option or Alternate 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. At the same time, Interconnection Customer shall indicate whether it elects to exercise the Option to Build set forth in Article 5.1.3 below. If the dates designated

by Interconnection Customer are not acceptable to Transmission Provider, Transmission Provider shall so notify Interconnection Customer within thirty (30) Calendar Days whether it elects to exercise the Option to Build if it has not already elected to exercise the Option to Build.

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

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

5.1.3 Option to Build. Individual or Multiple Interconnection Customers shall have the option 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 Article 5.1.2, if the requirements of this Article 5.1.3 are met. When multiple Interconnection Customers exercise this option, multiple Interconnection Customers may agree to exercise this option provided (1) all Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades constructed under this option are only required for Interconnection Customers in a single Cluster and (2) all impacted Interconnection Customers execute and provide to Transmission Provider an agreement regarding

responsibilities and payment for the construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades planned to be built under this option. Transmission Provider and the individual Interconnection Customer or each of the multiple Interconnection Customers must agree as to what constitutes Stand Alone Network Upgrades and identify such Stand Alone Network Upgrades in Appendix A. Except for Stand Alone Network Upgrades, Interconnection Customer shall have no right to construct Network Upgrades under this option.

5.1.4 Negotiated Option. If the dates designated by Interconnection Customer are not acceptable to Transmission Provider, the Parties shall in good faith attempt to negotiate terms and conditions (including revision of the specified dates and liquidated damages, the provision of incentives or the procurement and construction of a portion of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades if Interconnection Customer elects to exercise the Option to Build under Article 5.1.3). If the Parties are unable to reach agreement on such terms and conditions, then, pursuant to Article 5.1.1 (Standard Option), Transmission Provider shall assume responsibility for the design, procurement and construction of all facilities other than Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades if Interconnection Customer elects to exercise the Option to Build..

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

- (1) Interconnection Customer shall engineer, procure equipment, and construct Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by Transmission Provider;
- (2) Interconnection Customer's engineering, procurement and construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades shall comply with all requirements of law and Applicable Reliability Standards 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) Transmission Provider shall review and approve the engineering design, equipment acceptance tests, and the construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades;
- (4) prior to commencement of construction, Interconnection Customer shall provide to Transmission Provider a schedule for construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades, and shall promptly respond to requests for information from Transmission Provider;

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

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

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

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

(10) Transmission Provider shall approve and accept for operation and maintenance Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades to the extent engineered, procured, and constructed in accordance with this Article 5.2; and

(11) Interconnection Customer shall deliver to Transmission 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.

(12) If Interconnection Customer exercises the Option to Build pursuant to Article 5.1.3, Interconnection Customer shall pay Transmission Provider the agreed upon amount of \$ _____ for Transmission Provider to execute the responsibilities enumerated to Transmission Provider under Article 5.2. Transmission Provider shall invoice Interconnection Customer for this total amount to be divided on a monthly basis pursuant to Article 12.

5.3 Liquidated Damages. The actual damages to Interconnection Customer, in the event Transmission Provider's Interconnection Facilities or Network Upgrades are not completed by the dates designated by Interconnection Customer and accepted by Transmission Provider pursuant to Article 5.1.2 or 5.1.4, above, may include Interconnection Customer's fixed operation and maintenance costs and lost opportunity

costs. Such actual damages are uncertain and impossible to determine at this time. Because of such uncertainty, any liquidated damages paid by Transmission Provider to Interconnection Customer in the event that Transmission Provider does not complete any portion of Transmission Provider's Interconnection Facilities or Network Upgrades by the applicable dates, shall be an amount equal to 1/2 of 1 percent per day of the actual cost of Transmission Provider's Interconnection Facilities and Network Upgrades, in the aggregate, for which Transmission Provider has assumed responsibility to design, procure and construct.

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

No liquidated damages shall be paid to Interconnection Customer if: (1) Interconnection Customer is not ready to commence use of Transmission Provider's Interconnection Facilities or Network Upgrades to take the delivery of power for the Large Generating Facility's Trial Operation or to export power from the Large Generating Facility on the specified dates, unless Interconnection Customer would have been able to commence use of Transmission Provider's Interconnection Facilities or Network Upgrades to take the delivery of power for Large Generating Facility's Trial Operation or to export power from the Large Generating Facility, but for Transmission Provider's delay; (2) Transmission Provider's failure to meet the specified dates is the result of the action or inaction of Interconnection Customer or any other Interconnection Customer who has entered into an QF-LGIA or LGIA with Transmission Provider or any cause beyond Transmission Provider's reasonable control or reasonable ability to cure; (3) Interconnection Customer has assumed responsibility for the design, procurement and construction of Transmission Provider's Interconnection Facilities and Stand Alone Network Upgrades; or (4) the Parties have otherwise agreed.

5.4 Power System Stabilizers. Interconnection Customer shall procure, install, maintain and operate Power System Stabilizers in accordance with the guidelines and procedures established by the Electric Reliability Organization. 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.

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 Interconnection Facilities Study pursuant to the Interconnection Facilities Study Agreement;

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

5.5.3 Interconnection Customer has provided security to Transmission Provider in accordance with Article 11.5 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 Other Interconnection Options.

5.9.1 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 QF-LGIA. Transmission Provider shall permit Interconnection Customer to operate the Large Generating Facility and Interconnection Customer's Interconnection 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 a warranty as to the design, fitness, safety, durability or reliability of the Large Generating Facility, or the ICIF. Interconnection Customer shall make such changes to the ICIF as may reasonably be required 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, 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. Interconnection Customer shall provide Transmission Provider 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 the "as-built" drawings, information and documents for Transmission Provider's Interconnection Facilities if requested by Interconnection Customer.

Transmission Provider will obtain 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 or controlled by the Granting Party, its agents (if allowed under the applicable agency agreement), or any Affiliate, that are necessary to enable the Access Party to obtain ingress and egress to construct, operate, maintain, repair, test (or witness testing), inspect, replace or remove facilities and equipment to: (i) interconnect the 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 QF-LGIA. In exercising such licenses, rights of way and easements, the Access Party shall not unreasonably disrupt or interfere with normal operation of the Granting Party's business and shall adhere to the safety rules and procedures established in advance, as may be changed from time to time, by the Granting Party and provided to the Access Party.

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

5.14 Permits. Transmission Provider or Transmission Owner and Interconnection Customer each shall be responsible for obtaining all permits, licenses and authorizations that are necessary to construct the Interconnection Facilities, Distribution Facilities, Stand Alone Network Upgrades, or Network Upgrades for which it has construction responsibility under this QF-LGIA in compliance with Applicable Laws and Regulations. Transmission Provider or Transmission Owner and Interconnection Customer shall cooperate with each other in good faith in obtaining any such permits, licenses and authorizations. With respect to this paragraph, Transmission Provider or Transmission Owner shall provide permitting assistance to Interconnection Customer comparable to that provided to Transmission Provider's own, or an Affiliate's generation.

5.15 Early Construction of Base Case Facilities. Interconnection Customer may request Transmission Provider to construct, and Transmission Provider shall construct, using Reasonable Efforts to accommodate Interconnection Customer's In-Service Date, all or any portion of any Network Upgrades required for Interconnection Customer to be interconnected to the Transmission System which are included in the Base Case of the Facilities Study for Interconnection Customer, and which also are required to be constructed for another Interconnection Customer, but where such construction is not scheduled to be completed in time to achieve Interconnection Customer's In-Service Date.

5.16 Suspension. 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 QF-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. In such event, Interconnection Customer shall be responsible for all reasonable and necessary costs which Transmission Provider (i) has incurred pursuant to this QF-LGIA prior to the suspension and (ii) incurs in suspending such work, including any costs incurred to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the 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 by Transmission Provider required under this QF-LGIA pursuant to this Article 5.16, and has not requested Transmission Provider to

recommence the work required under this QF-LGIA on or before the expiration of three (3) years following commencement of such suspension, this QF-LGIA shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or the date of the written notice to Transmission Provider, if no effective date is specified.

5.17 Taxes.

5.17.1 Interconnection Customer Payments Not Taxable. The Parties intend that all payments or property transfers made by Interconnection Customer to Transmission 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 or property transfers made by Interconnection Customer to Transmission Provider under this QF-LGIA for

Interconnection Facilities, 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 QF-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 QF-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 QF-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 QF-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 QF-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 QF-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 QF-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, together with interest thereon,

- (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 in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii) from the date payment was made by Interconnection Customer to the date Transmission 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 QF-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 be deemed also to refer to and to include the Transmission Owner, as appropriate, and (ii) this QF-

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 QF-LGIA.

5.18 Tax Status. Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this QF-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, Local Furnishing Bonds.

5.19 Modification.

5.19.1 General. Either Party may undertake modifications to its facilities. If a Party plans to undertake a modification that reasonably may be expected to affect the other Party's facilities, that Party shall provide to the other Party 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. 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 an Interconnection Request, Transmission Provider shall provide, within thirty (30) Calendar Days (or such other time as the Parties may agree), an estimate of any additional modifications to the Transmission 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 QF-LGIA, Applicable Reliability Standards and Good Utility Practice.

5.19.3 Modification Costs. Interconnection Customer shall not be directly assigned for the costs of any additions, modifications, or replacements that Transmission 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 OATT. Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to Interconnection Customer's Interconnection Facilities that may be necessary to maintain or upgrade such Interconnection Customer's Interconnection Facilities consistent with Applicable Laws and Regulations, Applicable Reliability Standards or Good Utility Practice.

Article 6. Testing and Inspection

6.1 Pre-Commercial Operation Date Testing and Modifications. Prior to the Commercial Operation Date, Transmission Provider shall test Transmission Provider's Interconnection Facilities and Network Upgrades and Interconnection Customer shall test the Large Generating Facility and Interconnection Customer's Interconnection Facilities to ensure their safe and reliable operation. Similar testing may be required after initial operation. Each Party shall make any modifications to its facilities that are found to be necessary as a result of such testing. Interconnection Customer shall bear the cost of all such testing and modifications. Interconnection Customer shall generate test energy at the 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 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, as may be in accordance with Good Utility Practice. Interconnection Customer shall bear the cost of all testing and modifications required under this Article 6.2.

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 the Power System Stabilizers or other protective equipment or the operation thereof, or as a warranty as to the fitness, safety, desirability, or reliability of same. Any information that a Party obtains through the exercise of any of its rights under this Article 6.4 shall be deemed to be Confidential Information and treated pursuant to Article 22 of this QF-LGIA.

Article 7. Metering

7.1 General. Each Party shall comply with the Electric Reliability Organization requirements regarding 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 Station Power Metering

To the extent the Large Generating Facility relies, or may need to rely, on Station Power not generated by the Large Generating Facility itself, the Parties shall agree to and provide for the installation of Metering Equipment at such locations as necessary to meter the quantities of Station Power delivered to and used by the Large Generating Facility. The intent of such Metering Equipment is to allow the Parties to accurately meter Station Power so that the Net Output of the Large Generating Facility can be accurately ascertained on an hourly basis. Unless otherwise agreed by the Parties, the Transmission Provider shall install the Metering Equipment required by this Article 7.2 at such location or locations as necessary to meter Station Power for the purposes of this Article 7.2 and Transmission Provider shall own, operate, test and maintain such Station Power Metering Equipment. Interconnection Customer shall bear all reasonable documented costs associated with the purchase, installation, operation, testing and maintenance of the Metering Equipment required by this Article 7.2.

7.3 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 QF-LGIA, except as provided in Article 7.5 below. The check meters shall be subject at all reasonable times to inspection and examination by Transmission Provider or its designee. The installation, operation and maintenance thereof shall be

performed entirely by Interconnection Customer in accordance with Good Utility Practice.

7.4 Standards. Transmission Provider shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable American National Standards Institute ("ANSI") standards.

7.5 Testing of Metering Equipment. Transmission Provider shall, at Interconnection Customer's expense, 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 maintain, 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.

7.6 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.

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 circuits) 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. Interconnection Customer shall bear all costs associated with obtaining and maintaining the communication services and equipment required by this Article 8 including the cost of any ground potential rise or other communication-related study or testing required by a telecommunications provider or required by Good Utility Practice.

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. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified 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, at Interconnection Customer's expense, correct such error or malfunction as soon as reasonably feasible.

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

Article 9. Operations

9.1 General. Each Party shall comply with the Electric Reliability Organization 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 Transmission Provider Obligations. Transmission Provider shall cause the Transmission System and Transmission Provider's Interconnection Facilities to be operated, maintained and controlled in a safe and reliable manner and in accordance with this QF-LGIA. Transmission Provider may provide operating instructions to Interconnection Customer consistent with this QF-LGIA and Transmission Provider's operating protocols and procedures as they may change from time to time. Transmission Provider will consider changes to its operating protocols and procedures proposed by Interconnection Customer.

9.3 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 QF-LGIA. Interconnection Customer shall operate the Large Generating Facility and Interconnection Customer's Interconnection Facilities in accordance with all applicable requirements of Transmission Provider's Balancing Authority Area, as such requirements are set forth in Appendix C, Interconnection Details, of this QF-LGIA. Appendix C, Interconnection Details, will be modified to reflect changes to the requirements as they may change from time to time. Either Party may request that the other Party provide copies of the requirements set forth in Appendix C, Interconnection Details, of this QF-LGIA.

9.4 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.

9.5 Reactive Power.

9.5.1 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 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.

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

9.5.2.1 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) and 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 Transmission Provider's system operator, or its designated representative, 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.

9.5.3 Payment for Reactive Power. Transmission Provider is required to 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 in Article 9.6.1, provided that if Transmission Provider pays its own or affiliated generators for reactive power service within the specified range, it must also pay Interconnection Customer. Payments shall be pursuant to Article 11.6 or such other agreement to which the Parties have otherwise agreed.

9.6 Outages and Interruptions.

9.6.1 Outages.

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

9.6.1.2 Outage Schedules. Transmission Provider shall post scheduled outages of its transmission facilities on its Open Access Same-Time Information System ("OASIS"). Interconnection Customer shall submit its planned maintenance schedules for the Large Generating Facility to Transmission Provider for a minimum of a rolling twenty-four month period. Interconnection Customer shall update its planned maintenance schedules as necessary. Transmission Provider may request Interconnection Customer to

reschedule its maintenance as necessary to maintain the reliability of the Transmission System; provided, however, adequacy of generation supply shall not be a criterion in determining Transmission System reliability. Transmission Provider shall compensate Interconnection Customer for any additional direct costs that interconnection Customer incurs as a result of having to reschedule maintenance, including any additional overtime, breaking of maintenance contracts or other costs above and beyond the cost Interconnection Customer would have incurred absent Transmission Provider's request to reschedule maintenance. Interconnection Customer will not be eligible to receive compensation, if during the twelve (12) months prior to the date of the scheduled maintenance, interconnection Customer had modified its schedule of maintenance activities.

9.6.1.3 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.

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

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

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

9.6.2.3 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;

9.6.2.4 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;

9.6.2.5 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.

9.6.3 Ride Through Capability and Performance. The Transmission System is designed to automatically activate a load-shed program as required by the Electric Reliability Organization 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 Electric Reliability Organization to ensure "ride through" capability of the Transmission System. The 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. Interconnection Customer shall also implement under-voltage and over-voltage relay set points, or equivalent electronic controls, as required by the Electric Reliability Organization to ensure voltage "ride through" capability of the Transmission System. The term "ride through" as used herein shall mean the ability of a Large Generating Facility to stay connected to and synchronized with the Transmission System during system disturbances within a range of under-frequency, over-frequency, under-voltage, and over-voltage conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other Generating Facilities in the Balancing Authority Area on a comparable basis. For abnormal frequency conditions and voltage conditions within the "no trip zone" defined by Reliability Standard PRC-024-3 or successor mandatory ride-through reliability standards, the non-synchronous Large Generating Facility must ensure that, within any physical limitations of the Large Generating Facility, its control and protection settings are configured or set to (1) continue active power production during disturbance and post disturbance periods at pre-disturbance levels, unless reactive power priority mode is enabled or unless providing primary frequency response or fast frequency response; (2) minimize reductions in active power and remain within dynamic voltage and current limits, if reactive power priority mode is enabled, unless providing primary frequency response or fast frequency response; (3) not artificially limit dynamic reactive power capability during disturbances; and (4) return to pre-disturbance active power levels without artificial ramp rate limits if active power is reduced, unless providing primary frequency response or fast frequency response. .

9.6.4 System Protection and Other Control Requirements.

9.6.4.1 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.

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

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

9.6.4.4 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.

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

9.6.4.6 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.

9.6.5 Requirements for Protection. In compliance with Good Utility Practice, Interconnection Customer shall provide, install, own, and maintain relays, circuit breakers and all other devices necessary to remove any fault contribution of the 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.

9.6.6 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.

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

9.8 Use of Interconnection Facilities by Third Parties.

9.8.1 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.

9.8.2 Third Party Users. If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld, to allow one or more third parties to use 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 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, in accordance with Applicable Laws and Regulations or upon some other mutually agreed upon methodology. If the issue of such compensation or allocation cannot be resolved through such negotiations, it shall be submitted to the OPUC for resolution.

9.9 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 QF-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 QF-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, AC or DC, including, but not limited to, any hardware, control or protective devices, cables, conductors, electric raceways, secondary equipment panels, transducers, batteries, chargers, and voltage and current transformers that directly affect the operation of a Party's facilities and equipment which may reasonably be expected to impact 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 actual 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. In accordance with Good Utility Practice, Transmission Provider or Transmission Owner shall design, procure, construct, install, own and/or control Transmission Provider's Interconnection Facilities

described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades, at the sole expense of Interconnection Customer.

11.3 Network Upgrades and Distribution Upgrades. Transmission Provider or Transmission Owner shall design, procure, construct, install, and own the Network Upgrades and Distribution Upgrades described in Appendix A, Interconnection Facilities, Network Upgrades and Distribution Upgrades. Interconnection Customer shall be responsible for all costs related to Distribution Upgrades. Unless Transmission Provider or Transmission Owner elects to fund the capital for the Network Upgrades, they shall be solely funded by Interconnection Customer.

11.4 Special Provisions for Affected Systems. The Interconnection Customer shall be responsible for all costs related to Network Upgrades required on Affected Systems.

11.5 Provision of Security. At least thirty (30) Calendar Days prior to the commencement of the design, 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 constructing, designing, procuring and installing the applicable portion of Transmission Provider's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and shall be reduced on a dollar-for-dollar basis for payments made to Transmission Provider for these purposes. Transmission Provider must use the QF-LGIA Deposit required in Section 11.3 of the QF-LGIP before requiring Interconnection Customer to submit security in addition to that QF-LGIA Deposit. Transmission Provider must specify in Appendix B of this QF-LGIA the dates for which Interconnection Customer must provide additional security for construction of each discrete portion of Transmission Provider's Interconnection Facilities, Network Upgrades, or Distribution Upgrades and Interconnection Customer must provide such additional security.

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 9.5.3

(Payment for Reactive Power), or 13.4.1 of this QF-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 Interconnection Customer is required to provide or absorb any Reactive Power under this QF-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.

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 QF-LGIA, including interest payments or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

12.2 Final Invoice. Within six months after completion of the construction of 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 QF-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 QF-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. If Interconnection Customer fails to meet these two requirements for continuation of service, then Transmission Provider may provide notice to Interconnection Customer of a Default pursuant to Article 17. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

Article 13. Emergencies

13.1 Obligations. Each Party shall comply with the Emergency Condition procedures of the applicable ISO/RTO, the Electric Reliability Organization, Applicable Laws and Regulations, and any emergency procedures agreed to by the Parties.

13.2 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 and/or to be taken. The initial notice shall be followed as soon as practicable with written notice.

13.3 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.

13.4 Transmission Provider Authority.

13.4.1 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 13.4.2; 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.

13.4.2 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 OATT. 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.

13.5 Interconnection Customer Authority. Consistent with Good Utility Practice and the QF-LGIA and the QF-LGIP, 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 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 such actions.

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

Article 14. Regulatory Requirements and Governing Law

14.1 Regulatory Requirements. Each Party's obligations under this QF-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. These regulatory requirements include, but are not limited to, certification of the Interconnection Customer's Generating Facility as a QF. Each Party shall in good faith seek and use its Reasonable Efforts to obtain such other approvals. Nothing in this QF-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 QF-LGIA and each of its provisions shall be governed by the laws of the state where the Point of Interconnection is located, without regard to its conflicts of law principles.

14.2.2 This QF-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 QF-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 QF-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 QF-LGIA 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 Economic hardship is not considered a Force Majeure event.

16.1.2 Neither Party shall be considered to be in Default with respect to any obligation hereunder, (including obligations under Article 4), other than the obligation to pay money when due, if prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this article shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

Article 17. Default

17.1 Default

17.1.1 General. No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of Force Majeure as defined in this QF-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 Breach notice within which to cure such Breach; provided however, if such Breach is not capable of cure within thirty (30) Calendar Days, the Breaching Party shall commence such cure within thirty (30) Calendar Days after notice and continuously and diligently complete such cure within ninety (90) Calendar Days from receipt of the Breach notice; and, if cured within such

time, the Breach specified in such notice shall cease to exist.

17.1.2 Right to Terminate. If a Breach is not cured as provided in this article, or if a Breach is not capable of being cured within the period provided for herein, the non-breaching Party shall have the right to declare a Default and terminate this QF-LGIA by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this QF-LGIA, 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 QF-LGIA.

17.2 Violation of Operating Assumptions for Generating Facilities.

If Transmission Provider requires Interconnection Customer to memorialize the operating assumptions for the charging behavior of a Generating Facility that includes at least one electric storage resource in Appendix H of this QF-LGIA, Transmission Provider may consider Interconnection Customer to be in Breach of the LGIA if Interconnection Customer fails to operate the Generating Facility in accordance with those operating assumptions for charging behavior. However, if Interconnection Customer operates contrary to the operating assumptions for charging behavior specified in Appendix H of this QF-LGIA at the direction of Transmission Provider, Transmission Provider shall not consider Interconnection Customer in Breach of this LGIA.

Article 18. Indemnity, Consequential Damages and Insurance

18.1 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's action or inactions of its obligations under this QF-LGIA on behalf of the Indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

18.1.1 Indemnified Person. If an Indemnified Person is entitled to indemnification under this Article 18 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 18.1, to assume the defense of such claim, such Indemnified Person may at the expense of the Indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

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

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

The Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such Indemnifying Party and reasonably satisfactory to the Indemnified Person. If the defendants in any such action include one or more Indemnified Persons and the Indemnifying Party and if the Indemnified Person reasonably concludes that there may be legal defenses available to it and/or other Indemnified Persons which are different from or additional to those available to the Indemnifying Party, the Indemnified Person shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on its own behalf. In such instances, the Indemnifying Party shall only be required to pay the fees and expenses of one additional attorney to represent an Indemnified Person or Indemnified Persons having such differing or additional legal defenses.

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

18.2 Consequential Damages. Other than the Liquidated Damages heretofore described, in no event shall either Party be liable under any provision of this QF-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, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Insurance. Each party shall, at its own expense, maintain in force throughout the period of this QF-LGIA, and until released by the other Party, the following minimum

insurance coverages, with insurers authorized to do business in the state where the Point of Interconnection is located:

18.3.1 Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of the state in which the Point of Interconnection is located.

18.3.2 Commercial General Liability Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage (including coverage for the contractual indemnification) products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available and a cross liability endorsement, with minimum limits of One Million Dollars (\$ 1,000,000) per occurrence/One Million Dollars (\$ 1,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage.

18.3.3 Comprehensive Automobile Liability Insurance for coverage of owned and non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum, combined single limit of One Million Dollars (\$ 1,000,000) per occurrence for bodily injury, including death, and property damage.

18.3.4 Excess Public Liability Insurance over and above the Employers' Liability Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars (\$ 20,000,000) per occurrence/Twenty Million Dollars (\$ 20,000,000) aggregate.

18.3.5 The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Public Liability Insurance policies shall name the other Party, its parent, associated and Affiliate companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this QF-LGIA against the Other Party Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.

18.3.6 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies shall contain provisions that specify that the policies are primary and shall apply to such extent without consideration for other policies separately carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. Each Party shall be responsible for its respective deductibles or retentions.

18.3.7 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies, if written on a

Claims First Made Basis, shall be maintained in full force and effect for two (2) years after termination of this QF-LGIA, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Parties.

18.3.8 The requirements contained herein as to the types and limits of all insurance to be maintained by the Parties are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this QF-LGIA.

18.3.9 Within ten (10) Business Days following execution of this QF-LGIA, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) Calendar Days thereafter, each Party shall provide certification of all insurance required in this QF-LGIA, executed by each insurer or by an authorized representative of each insurer.

18.3.10 Notwithstanding the foregoing, each Party may self-insure to meet the minimum insurance requirements of Articles 18.3.2 through 18.3.8 to the extent it maintains a self-insurance program; provided that, such Party's senior secured debt is rated at investment grade or better by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 18.3.2 through 18.3.8. For any period of time that a Party's senior secured debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Party shall comply with the insurance requirements applicable to it under Articles 18.3.2 through 18.3.9. In the event that a Party is permitted to self-insure pursuant to this article, it shall notify the other Party that it meets the requirements to self-insure and that its self-insurance program meets the minimum insurance requirements in a manner consistent with that specified in Article 18.3.9.

18.3.11 The Parties agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this QF-LGIA.

Article 19. Assignment

19.1 Assignment. This QF-LGIA may be assigned by either Party only with the written consent of the other; provided that either Party may assign this QF-LGIA without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this QF-LGIA; and provided further that Interconnection Customer shall have the right to assign this QF-LGIA, without the 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 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 QF-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, consent to assignment will not be unreasonably withheld, conditioned or delayed.

Article 20. Severability

20.1 Severability. If any provision in this QF-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 QF-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 Alternate Option (Article 5.1.2), or the Negotiated Option (Article 5.1.4), then none of these provisions shall thereafter have any force or effect and the Parties' rights and obligations shall be governed solely by the Standard Option (Article 5.1.1).

Article 21. Comparability

21.1 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, 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 QF-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. The release of Confidential Information shall be subject to Applicable Laws and Regulations and Applicable Reliability Standards.

22.1.1 Term. During the term of this QF-LGIA, and for a period of three (3) years after the expiration or termination of this QF-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 QF-LGIA; or (6) is required, in accordance with Article 22.1.7 of the QF-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 QF-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 QF-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 or completeness. In addition, by supplying Confidential Information, neither Party obligates itself to provide any particular information or Confidential Information to the other Party nor to enter into any further agreements or proceed with any other relationship or joint venture.

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 QF-LGIA or its regulatory requirements.

22.1.7 Order of Disclosure. If a court or a Government Authority or entity with the right, power, and apparent authority to do so requests or requires 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 QF-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 QF-LGIA for any reason, each Party shall, within ten (10) 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 OPUC or its Staff. Notwithstanding anything in this Article 22 to the contrary, and pursuant to 18 CFR section 1b.20, if OPUC 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 QF-LGIA, the Party shall provide the requested information to OPUC or its staff, within the time provided for in the request for information. In providing the information to OPUC or its staff, the Party must request that the information be treated as confidential and non-public by OPUC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party to this QF-LGIA prior to the release of the Confidential Information to OPUC or its staff. The Party shall notify the other Party to the QF-LGIA when it is notified by OPUC or its staff that a request to release Confidential Information has been received by OPUC, at which time either of the Parties may

respond before such information would be made public,

22.1.11 Subject to the exception in Article 22.1.10, any information that a Party claims is competitively sensitive, commercial or financial information under this QF-LGIA ("Confidential Information") shall not be disclosed by the other Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this QF-LGIA or as a transmission service provider or a Balancing Authority Area operator including disclosing the Confidential Information to an RTO or ISO or to a regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

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.

24.2 Information Submission by Transmission Provider. The initial information submission by Transmission Provider shall occur no later than one hundred eighty (180) Calendar Days prior to Trial Operation and shall include Transmission System information necessary to allow Interconnection Customer to select equipment and meet any system protection and stability requirements, unless otherwise agreed to by the

Parties. On a monthly basis Transmission Provider shall provide Interconnection Customer a status report on the construction and installation of Transmission Provider's Interconnection Facilities and Network Upgrades, including, but not limited to, the following information: (1) progress to date; (2) a description of the activities since the last report (3) a description of the action items for the next period; and (4) the delivery status of equipment ordered.

24.3 Updated Information Submission by Interconnection Customer. The updated information submission by Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Trial Operation. Interconnection Customer shall submit a completed copy of the Large Generating Facility data requirements contained in Appendix 1 to the LGIP. It shall also include any additional information provided to Transmission Provider for the Cluster Study and Facilities Study. Information in this submission shall be the most current Large Generating Facility design or expected performance data. Information submitted for stability models shall be compatible with 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 to determine the impact on Transmission Provider Transmission System based on the actual data submitted pursuant to this Article 24.3. The Interconnection Customer shall not begin Trial Operation until such studies are completed.

24.4 Information Supplementation. Prior to the Commercial Operation Date, the Parties shall supplement their information submissions described above in this Article 24 with any and all "as-built" 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 and results 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 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. The Parties shall provide such information no later than thirty (30) Calendar Days after the date of the equipment replacement, repair or adjustment.

Article 25. Information Access and Audit Rights

25.1 Information Access. Each Party (the "disclosing Party") shall make available to the other Party information that is in the 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 QF-LGIA; and (ii) carry out its obligations and responsibilities under this QF-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 QF-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 QF-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 QF-LGIA.

25.3 Audit Rights. Subject to the requirements of confidentiality under Article 22 of this QF-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 QF-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 QF-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 QF-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 be twenty-four months after the auditing Party's receipt of an invoice giving rise to such cost obligations; and (ii) for an audit relating to all other obligations, the applicable audit rights period shall be twenty-four months after the event for which the audit is sought.

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

Article 26. Subcontractors

26.1 General. Nothing in this QF-LGIA shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this QF-LGIA; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this QF-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 QF-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 QF-LGIA. Any applicable obligation imposed by this QF-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 QF-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 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 QF-LGIA.

27.2 Arbitration of Disputes.

1) An interconnecting public utility or an interconnection applicant may petition the Commission for arbitration of disputes arising during review of an application to interconnect a large generator facility or during negotiation of an interconnection agreement. If the public utility or the applicant petitions the Commission to arbitrate their dispute, then the Commission will use an administrative law judge (ALJ) as arbitrator unless workload constraints necessitate the use of an outside arbitrator.

(2) A petition for arbitration of an interconnection agreement must contain: (a) A statement of all unresolved issues; (b) A description of each party's position on the unresolved issues; and (c) A proposed agreement addressing all issues, including those on which the parties have reached agreement and those that are in dispute.

(3) A petition for arbitration of a dispute arising during review of an application to interconnect a large generator facility must contain: (a) A statement of all unresolved issues; (b) A description of each party's position on the unresolved issues; and (c) A proposed resolution for each unresolved issue.

(4) Respondent may file a response within twenty-five (25) Calendar Days of the petition for arbitration. In the response, the respondent must address each issue listed in the petition, describe the respondent's position on those issues, and present any additional issues for which the respondent seeks resolution.

(5) The filing of a petition for arbitration of a dispute arising during review of an application to interconnect a large generator facility does not affect the application's queue position.

(6) The arbitration is conducted in a manner similar to a contested case proceeding, and the arbitrator has the same authority to conduct the arbitration process as an ALJ has in conducting hearings under the Commission's rules, but the arbitration process is streamlined. The arbitrator holds an early conference to discuss processing of the case. The arbitrator establishes the schedule and decides whether an oral hearing is necessary. After the oral hearing or other procedures (for example, rounds of comments), each party submits its final proposed interconnection agreement or resolution of disputed issues.

The arbitrator chooses between the two final offers. If neither offer is consistent with applicable statutes, Commission rules, and Commission policies, then the arbitrator will make a decision that meets those requirements.

(7) The arbitrator may allow formal discovery only to the extent deemed necessary. Parties are required to make good faith attempts to exchange information relevant to any disputed issue in an informal, voluntary, and prompt manner. Unresolved discovery disputes are resolved by the arbitrator upon request of a party. The arbitrator will order a party to provide information if the arbitrator determines the requesting party has a reasonable need for the requested information and that the request is not overly burdensome.

(8) Only the two negotiating parties have full party status. The arbitrator may confer with Commission staff for assistance throughout the arbitration process.

(9) To keep the process moving forward, appeals to the Commission are not allowed during the arbitration process. An arbitrator may certify a question to the Commission if the arbitrator believes it is necessary.

(10) To accommodate the need for flexibility, the arbitrator may use different procedures so long as the procedures are fair, treat the parties equitably, and substantially comply with the procedures listed here.

(11) The arbitrator must serve the arbitration decision on the interconnecting public utility and the interconnection applicant. The parties may file comments on the arbitration decision with the Commission within ten (10) Calendar Days after service.

(12) The Commission must accept, reject, or modify an arbitration decision within thirty (30) Calendar Days after service of the decision.

(13) Within fourteen (14) Calendar Days after the Commission issues an order on a petition for arbitration of an interconnection agreement, the petitioner must prepare an interconnection agreement complying with the terms of the decision and serve it on respondent. Respondent must either sign and file the interconnection agreement or file objections to it within ten (10) Calendar Days of service of the agreement. If objections are filed, respondent must state how the interconnection agreement fails to comply with the Commission order and offer substitute language complying with the decision. The Commission must approve or reject a filed interconnection agreement within twenty (20) Calendar Days of its filing or the agreement is deemed approved.

(14) If petitioner, without respondent's consent, fails to timely prepare and serve an interconnection agreement on respondent, respondent may file a motion requesting the Commission dismiss the petition for arbitration with prejudice. The Commission may grant such motion if the petitioner's failure to timely prepare and serve the interconnection agreement was the result of inexcusable neglect on the part of petitioner.

(15) The public utility and the applicant may agree to hire an outside arbitrator rather than file a petition with the Commission pursuant to article 27.3.

27.3 External Arbitration Procedures. Any arbitration initiated under this QF-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.

27.4 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 therefore. The arbitrator (s) shall be authorized only to interpret and apply the provisions of this QF-LGIA and shall have no power to modify or change any provision of this QF-LGIA 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.

27.5 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 the corporate power and authority to own its properties, to carry on its business as now

being conducted and to enter into this QF-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 QF-LGIA.

28.1.2 Authority. Such Party has the right, power and authority to enter into this QF-LGIA, to become a Party hereto and to perform its obligations hereunder. This QF-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 QF-LGIA does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.

28.1.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this QF-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 QF-LGIA, and it will provide to any Governmental Authority notice of any actions under this QF-LGIA that are required by Applicable Laws and Regulations.

Article 29 Miscellaneous

29.1 Binding Effect. This QF-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.

29.2 Conflicts. In the event of a conflict between the body of this QF-LGIA and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this QF-LGIA shall prevail and be deemed the final intent of the Parties.

29.3 Rules of Interpretation. This QF-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 QF-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 QF-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 QF-

LGIA or such Appendix to this QF-LGIA, or such Section to the QF-LGIP or such Appendix to the QF-LGIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this QF-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".

29.4 Entire Agreement. This QF-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 QF-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 QF-LGIA.

29.5 No Third Party Beneficiaries. This QF-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.

29.6 Waiver. The failure of a Party to this QF-LGIA to insist, on any occasion, upon strict performance of any provision of this QF-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 QF-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 QF-LGIA. Termination or Default of this QF-LGIA for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this QF-LGIA shall, if requested, be provided in writing.

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

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

29.9 Amendment. The Parties may by mutual agreement amend this QF-LGIA by a written instrument duly executed by the Parties.

29.10 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this QF-LGIA by a written instrument duly executed by the Parties. Such

amendment shall become effective and a part of this QF-LGIA upon satisfaction of all Applicable Laws and Regulations.

29.11 Reservation of Rights. Transmission Provider shall have the right to make a unilateral filing with OPUC to modify this QF-LGIA with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under applicable provision of the Federal or Oregon law or the OPUC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with OPUC to modify this QF-LGIA pursuant to any other applicable provision of Federal or Oregon law or the OPUC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before OPUC in which such modifications may be considered.

29.12 No Partnership. This QP-LGIA shall not be interpreted or construed to create an association, point venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

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

[Insert name of Transmission Provider or Transmission Owner, if applicable]

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

Appendix A to QF-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 Substation Network Upgrades]:

(c) [insert System Network Upgrades]:

3. Distribution Upgrades:

Appendix B to QF-LGIA

Milestones

Site Control

- Check box if applicable

Interconnection Customer with qualifying regulatory limitations must demonstrate 100% Site Control by [Transmission Provider to insert date one hundred eighty (180) Calendar Days from the effective date of this QF-LGIA] or the QF-LGIA may be terminated per Article 17 (Default) of this LGIA and Interconnection Customer may be subject to Withdrawal Penalties per Section 3.6.1.1 of Transmission Provider's LGIP (Calculation of the Withdrawal Penalty).

Appendix C to QF-LGIA

Interconnection Details

Appendix D to QF-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. FERC will expect all Transmission Providers, market participants, and Interconnection Customers interconnected to the Transmission System to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and, eventually, best practice recommendations from the electric reliability authority. All public utilities will be expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

Appendix E to QF-LGIA

Commercial Operation Date

This Appendix E is a part of the QF-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 QF-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 QF-LGIA

Requirements for Generators Relying on Newer Technologies

Interconnection Requirements For A Wind Generating Plant

Appendix G sets forth requirements and provisions specific to a wind generating plant or a Generating Facility that contains a wind generating plant. All other requirements of this QF-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 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.
2. The maximum clearing time the wind generating plant shall be required to withstand for a three-phase fault shall be 9 cycles at a voltage as low as 0.15 p.u., as measured at the high side of the wind generating plant step-up transformer (i.e. the transformer that steps the voltage up to the transmission interconnection voltage or "GSU"), after which, if the fault remains following the location-specific normal clearing time for three-phase faults, the wind generating plant may disconnect from the transmission system.
3. This requirement does not apply to faults that would occur between the wind generator terminals and the high side of the GSU.
4. Wind generating plants may be tripped after the fault period if this action is intended as part of a special protection system.

Issued by: _____

Issued on: _____

Effective: _____

5. Wind generating plants may meet the LVRT requirements of this standard by the performance of the generators or by installing additional equipment (e.g., Static VAR

Compensator, etc.) within the wind generating plant or by a combination of generator performance and additional equipment.

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

ii. Power Factor Design Criteria (Reactive Power)

A wind generating plant shall maintain a power factor within the range of 0.95 leading to 0.95 lagging, measured at the Point of Interconnection as defined in this QF-LGIA, if Transmission Provider's Cluster Study shows that such a requirement is necessary to ensure safety or reliability. The power factor range standard can be met by using, for example, power electronics designed to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors if agreed to by Transmission Provider, or a combination of the two. 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 Cluster 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 Transmission Provider to protect system reliability. 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.

Issued by: _____

Issued on: _____

Effective: _____

Appendix H to QF-LGIA

Operating Assumptions for Generating Facility

☐ Check box if applicable

Operating Assumptions:

[insert operating assumptions that reflect the charging behavior of the Generating Facility that includes at least one electric storage resource]

Attachment A to QF-LGIA
One-line Diagram

Issued by: _____
Issued on: _____

Effective: _____

Attachment B to QF-LGIA
Scope of Work

Issued by: _____
Issued on: _____

Effective: _____

Attachment C to QF-LGIA
Facility Connection Requirements for Transmission Systems

Issued by: _____
Issued on: _____

Effective: _____

APPENDIX 6 to QF-LGIP INTERCONNECTION PROCEDURES FOR A WIND GENERATING PLANT

Appendix 6 sets forth procedures specific to a wind generating plant. All other requirements of the QF-LGIP continue to apply to wind generating plant interconnections.

A. Special Procedures Applicable to Wind Generators

The wind plant Interconnection Customer, in completing the Interconnection Request required by Article 3.3 of the QF-LGIP, may provide to Transmission Provider a set of preliminary electrical design specification 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 the QF-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 Transmission Provider to complete the Cluster Study.