

ATTACHMENT H

GENERATOR

INTERCONNECTION PROCEDURES (GIP)

Attachment H: Generator Interconnection Procedures (GIP)
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SECTION 1. Application

1.1 Applicability

1.1.1 The objective of this GIP is to implement the requirements for Generating Facility interconnections to the Distribution System.

This GIP applies to all Generating Facilities regardless of size. This GIP also cross references to the CAISO Tariff for the processes for interconnecting customers to request Full Capacity Deliverability Status or Partial Capacity Deliverability Status. Please refer to the following sections for applicability of the four (4) processes under this GIP:

- (1) Fast Track Process: Section 2
- (2) Independent Study Process: Section 3
- (3) Cluster Study Process: Section 4
- (4) Under 10 kW Inverter Technology Process: Section 5 and Appendix 6

1.1.2 Capitalized terms used herein shall have the meanings specified in the Glossary of Terms in Attachment 1 to the GIP or the body of these procedures.

1.1.3 Neither these procedures nor the requirements included hereunder apply to Small Generating Facilities interconnected or approved for interconnection prior to sixty (60) Business Days after the effective date of these procedures.

1.1.4 Prior to submitting its Interconnection Request (Appendix 1 to the GIP), the Interconnection Customer may ask the Distribution Provider's interconnection contact employee or office whether the proposed interconnection is subject to these procedures. The Distribution Provider shall respond in writing within fifteen (15) Business Days.

1.1.5 Infrastructure security of electric system equipment and operations and control hardware and software is essential to ensure day-to-day reliability and operational security. The FERC expects all Distribution and Transmission Providers, market participants, and Interconnection Customers interconnected with electric systems to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and best practice recommendations from the electric reliability authority. All public utilities are expected to meet basic standards for electric system infrastructure and operational security, including physical, operational, and cyber-security practices.

1.1.6 References in these procedures to "interconnection agreement" or Generator Interconnection Agreement (GIA) are to the Small Generator Interconnection Agreement (SGIA) unless the proposed interconnection is for a Generating Facility larger than 20 Megawatts (MW), in which case the references to "interconnection agreement" are to the Large Generator Interconnection Agreement (LGIA), or unless the Interconnection Customer is eligible to interconnect under state jurisdiction and elects to opt for a Rule 21 GIA, in which case references to "interconnection agreement" are to the Rule 21 GIA.

1.2 Pre-Application

1.2.1 The Distribution Provider shall designate an employee or office from which information on the application process and on an Affected System

can be obtained through informal requests from the Interconnection Customer presenting a proposed project for a specific site. The name, telephone number, and e-mail address of such contact employee or office shall be made available on the Distribution Provider's internet website. Electric system information provided to the Interconnection Customer should include relevant system studies, interconnection studies, and other materials useful to an understanding of an interconnection at a particular point on the Distribution Provider's Distribution System, to the extent such provision does not violate confidentiality provisions of prior agreements or critical infrastructure requirements. The Distribution Provider shall comply with reasonable requests for such information.

1.2.2 In addition to the information described in Section 1.2.1, which may be provided in response to an informal request, an Interconnection Customer may submit a formal written request form along with a non-refundable fee of \$300.00 for a pre-application report on a proposed project at a specific site. The Distribution Provider shall provide the pre-application data described in Section 1.2.3 to the Interconnection Customer within twenty (20) Business Days of receipt of the completed request form and payment of the \$300.00 fee. The pre-application report produced by the Distribution Provider is non-binding, does not confer any rights, and the Interconnection Customer must still successfully apply to interconnect to the Distribution Provider's system. The written pre-application report request form shall include the information in Sections 1.2.2.1 through 1.2.2.8 below to clearly and sufficiently identify the location of the proposed Point of Interconnection.

- 1.2.2.1 Project contact information, including name, address, phone number, and email address.
- 1.2.2.2 Project location (street address with nearby cross streets and town)
- 1.2.2.3 Meter number, pole number, or other equivalent information identifying proposed Point of Interconnection, if available.
- 1.2.2.4 Generator Type (e.g., solar, wind, combined heat and power, etc.)
- 1.2.2.5 Size (alternating current kW)
- 1.2.2.6 Single or three phase generator configuration
- 1.2.2.7 Stand-alone generator (no onsite load, not including station service – Yes or No?)
- 1.2.2.8 Is new service requested? Yes or No? If there is existing service, include the customer account number, site minimum and maximum current or proposed electric loads in kW (if available) and specify if the load is expected to change.

1.2.3. Using the information provided in the pre-application report request form in Section 1.2.2, the Distribution Provider will identify the substation/area bus, bank or circuit likely to serve the proposed Point of Interconnection. This selection by the Distribution Provider does not necessarily indicate, after application of the screens and/or study, that this would be the circuit the project ultimately connects to. The Interconnection Customer must request additional pre-application reports if information about multiple Points of Interconnection is requested. Subject to Section 1.2.4, the pre-application report will include the following information:

- 1.2.3.1 Total capacity (in MW) of substation/area bus, bank or circuit based on normal or operating ratings likely to serve the proposed Point of Interconnection.
- 1.2.3.2 Existing aggregate generation capacity (in MW) interconnected to a substation/area bus, bank or circuit (i.e., amount of generation online) likely to serve the proposed Point of Interconnection.
- 1.2.3.3 Aggregate queued generation capacity (in MW) for a substation/area bus, bank or circuit (i.e., amount of generation in the queue) likely to serve the proposed Point of Interconnection.
- 1.2.3.4 Available capacity (in MW) of substation/area bus or bank and circuit likely to serve the proposed Point of Interconnection (i.e., total capacity less the sum of existing aggregate generation capacity and aggregate queued generation capacity).
- 1.2.3.5 Substation nominal distribution voltage and/or transmission nominal voltage if applicable.
- 1.2.3.6 Nominal distribution circuit voltage at the proposed Point of Interconnection.
- 1.2.3.7 Approximate circuit distance between the proposed Point of Interconnection and the substation.
- 1.2.3.8 Relevant line section(s) actual or estimated peak load and minimum load data, including daytime minimum load as described in Section 2.4.4.1.1 below and absolute minimum load, when available.
- 1.2.3.9 Number and rating of protective devices and number and type (standard, bi-directional) of voltage regulating devices between the proposed Point of Interconnection and the substation/area. Identify whether the substation has a load tap changer.
- 1.2.3.10 Number of phases available at the proposed Point of Interconnection. If a single phase, distance from the three-phase circuit.

- 1.2.3.11 Limiting conductor ratings from the proposed Point of Interconnection to the distribution substation.
- 1.2.3.12 Whether the Point of Interconnection is located on a spot network, grid network, or radial supply.
- 1.2.3.13 Based on the proposed Point of Interconnection, existing or known constraints such as, but not limited to, electrical dependencies at that location, short circuit interrupting capacity issues, power quality or stability issues on the circuit, capacity constraints, or secondary networks.

1.2.4 The pre-application report need only include existing data. A pre-application report request does not obligate the Distribution Provider to conduct a study or other analysis of the proposed generator in the event that data is not readily available. If the Distribution Provider cannot complete all or some of a pre-application report due to lack of available data, the Distribution Provider shall provide the Interconnection Customer with a pre-application report that includes the data that is available. The provision of information on “available capacity” pursuant to section 1.2.3.4 does not imply that an interconnection up to this level may be completed without impacts since there are many variables studied as part of the interconnection review process, and data provided in the pre-application report may become outdated at the time of the submission of the complete Interconnection Request. Notwithstanding any of the provisions of this section, the Distribution Provider shall, in good faith, include data in the pre-application report that represents the best available information at the time of reporting.

1.3 Interconnection Request

Any Interconnection Customer requesting interconnection to Distribution Provider’s Distribution System must submit a complete and valid Interconnection Request via the Distribution Provider’s application process.

1.3.1 Acknowledgement of Interconnection Request

The Interconnection Request shall be date- and time-stamped upon receipt. The original date-and time-stamp applied to the Interconnection Request at the time of its original submission shall be accepted as the qualifying date- and time-stamp for the purposes of any timetable in these procedures. The Interconnection Customer shall be notified in writing of receipt by the Distribution Provider within three (3) Business Days of receiving the Interconnection Request. Distribution Provider shall provide a first written notification to the Interconnection Customer within ten (10) Business Days of the receipt of the Interconnection Request, which notice shall state whether the Interconnection Request is deemed complete and valid.

1.3.1.1 First Notification of Deficiency

If an Interconnection Request fails to meet the requirements, the Distribution Provider shall state in its first written notification the reasons for such failure and that the Interconnection Request does not constitute a

valid request.

Interconnection Customer shall provide Distribution Provider the additional requested information needed to constitute a complete and valid request with ten (10) Business Days from the date of the first written notification that the Interconnection Request is invalid.

1.3.1.2 Second Notification of Deficiency

Distribution Provider shall provide a second written notification to Interconnection Customer within ten (10) Business Days of receipt of the additional requested information, stating whether the Interconnection Request is valid or the reasons for any failure.

1.3.1.3 Extension Request

Upon request, at Distribution Provider's sole discretion, Interconnection Customer may receive one (1) extension of up to twenty (20) Business Days to resolve deficiencies in the Interconnection Request.

1.3.1.4 Failure to Resolve Deficiencies

If Interconnection Customer does not resolve deficiencies in the Interconnection Request within the time frames set out above, Distribution Provider will deem the Interconnection Request withdrawn, subject to Section 1.10 below. Interconnection Customer may submit a new Interconnection Request including applicable fees. Interconnection Customers with invalid Interconnection Requests under this Section may seek relief under the Dispute Resolution provisions set forth in Section 6.2 below, by notifying Distribution Provider within two (2) Business Days of receipt of the first or second written notification that the Interconnection Request is incomplete and/or invalid.

1.3.2 Assignment of Queue Position

If there were no deficiencies in the Interconnection Request, the Queue Position will be based on the date Distribution Provider received the Interconnection Request. If there were deficiencies in the Interconnection Request, the Queue Position will be based on the date Distribution Provider determines an Interconnection Request to be complete and valid. Should Distribution Provider not meet any deadline for providing the first or second written notification to Interconnection Customer regarding the Interconnection Request, Interconnection Customer's Queue Position shall be set on the final day of the period in which Distribution Provider was obligated to provide such written notification; provided, however, that Interconnection Customer meets deadlines as set out above to

submit any additional information required by Interconnection Request following such written notification, and that Distribution Provider determines that the Interconnection Request is valid. An Interconnection Request for the expansion of capacity of an existing Generating Facility shall be treated the same as an Interconnection Request for a new Generating Facility pursuant to this GIP.

1.4 Modification of the Interconnection Request

Any modification to machine data or equipment configuration or to the interconnection site of the Generating Facility not agreed to in writing by the Distribution Provider and the Interconnection Customer may be deemed a withdrawal, subject to Section 1.10 below, of the Interconnection Request and may require submission of a new Interconnection Request, unless proper notification of each Party by the other and a reasonable time to cure the problems created by the changes are undertaken.

1.5 Site Exclusivity

Documentation of Site Exclusivity must be submitted with the Interconnection Request. Site Exclusivity may be demonstrated through:

1.5.1 Ownership of, a leasehold interest in, or a right to develop a site for the purpose of constructing the Generating Facility;

1.5.2 An option to purchase or acquire a leasehold site for such purpose;

1.5.3 An exclusivity or other business relationship between the Interconnection Customer and the entity having the right to sell, lease, or grant the Interconnection Customer the right to possess or occupy a site for such purpose; or

1.5.4 For Interconnection Requests in a Cluster Study Process, a posting of a Site Exclusivity Deposit of \$100,000.00 for a Small Generating Facility.

1.6 Interconnection Service

1.6.1 Interconnection Service allows Interconnection Customer to connect the Generating Facility to the Distribution System and be eligible to deliver the Generating Facility's output using the capacity of the Distribution System to the CAISO Grid. Interconnection Service does not in and of itself convey any right to deliver electricity to any specific customer or delivery point.

1.6.2 No Applicability to Transmission Service or Distribution Service.

Nothing in this GIP shall constitute a request for transmission service or Distribution Service or confer upon an Interconnection Customer any right to receive transmission service or Distribution Service.

1.6.3 Roles and Responsibilities.

1.6.3.1 Each Interconnection Request will be subject to the direction and oversight of the Distribution Provider. The Distribution Provider will conduct or cause to be performed the required Interconnection Studies and any additional studies the Distribution Provider determines to be reasonably necessary. If applicable, the CAISO, pursuant to the terms and conditions of

the interconnection procedures of the CAISO Tariff for Queue Clusters subsequent to Queue Cluster 7, may perform portions of the Interconnection Studies and Deliverability Assessments related to the analysis of impacts on, and upgrades required to, the CAISO Grid. The Distribution Provider will perform all required studies related to the Distribution System and will coordinate with Affected System Operators.

1.6.3.2 The Distribution Provider will complete or cause to be completed all studies as required within the timelines provided in this GIP.

1.6.3.3 Delegation of Responsibility.

Distribution Provider may use the services of subcontractors as it deems appropriate to perform its obligations under this GIP. Distribution Provider shall remain primarily liable to Interconnection Customer for the performance of such subcontractors and compliance with its obligations of this GIP. The subcontractor shall keep all information provided confidential and shall use such information solely for the performance of such obligation for which it was provided and no other purpose.

1.6.3.4 Each Interconnection Customer shall pay the actual costs of all Interconnection Studies, and any additional studies the Distribution Provider determines to be reasonably necessary in response to the Interconnection Request. The Distribution Provider shall reimburse the CAISO for the actual cost of any portion of the Interconnection Studies that the CAISO performs related to the CAISO Grid.

1.6.3.4.1 Where an Interconnection Study is performed by means of a Group Study, the cost of the Group Study will be charged pro rata on a net nameplate kVA rating basis to each Interconnection Request assigned to the Group Study. The cost of Interconnection Studies performed for an individual Interconnection Request, not part of a Group Study, will be charged solely to the Interconnection Customer that submitted the Interconnection Request.

1.6.3.4.2 The Distribution Provider shall issue invoices for Interconnection Studies that shall include a detailed and itemized accounting of the cost of each Interconnection Study. Whenever the actual cost of performing the Interconnection Studies exceeds the Interconnection Study Deposit, the Interconnection Customer shall pay

the undisputed difference in accordance with the Distribution Provider issued invoice within thirty (30) Calendar Days.

The Distribution Provider shall not be obligated to continue to have any studies conducted unless the Interconnection Customer has paid all undisputed amounts in compliance herewith.

1.7 Inverter Functions that Distribution Provider May Require

The Distribution Provider may require inverter-based equipment to provide grid support functions. These advanced inverter functions will generally be categorized as autonomous or remote communication. Functional requirements, as determined by the Distribution Provider, shall include, but are not limited to: real-time voltage regulation; limiting or disconnecting power output; voltage regulation within prescribed limits for both normal and sudden changes in voltage; and low voltage and frequency disturbance ride through. The operational range of individual functions within each category shall meet or exceed the operational range as established by the Distribution Provider utilizing Reasonable Efforts based on Good Utility Practice.

1.8 Base Case Data

Distribution 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 Section 6.5 of this GIP. Distribution 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 Base Cases shall include all generation projects and 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.

1.9 Transferability of Interconnection Request

An Interconnection Customer may transfer its Interconnection Request 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.

1.10 Withdrawal

Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to Distribution Provider, and the Distribution Provider will notify the CAISO and Affected System Operator(s), if any, within three (3) Business Days of receipt of such a notice. In addition, after confirmation by the Distribution Provider of a valid Interconnection Request the Interconnection Customer fails to adhere to the requirements of this GIP, Distribution 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

within five (5) Business Days of the deemed withdrawal. Upon receipt of notice of deemed withdrawal, Interconnection Customer shall have five (5) Business Days in which to either: (i) respond with information or action that either cures the deficiency or supports its position that the deemed withdrawal was erroneous; or (ii) notify the Distribution Provider in writing of its intent to pursue Dispute Resolution under Section 6.2 of the GIP.

Withdrawal shall result in the removal of the Interconnection Request from the Interconnection Study Process. If an Interconnection Customer disputes the withdrawal and removal from the Interconnection Study Process and has elected to pursue Dispute Resolution as set forth in Section 6.2 of the GIP, Interconnection Customer's Interconnection Request will not be considered in any ongoing Interconnection Study during the Dispute Resolution process.

In the event of a withdrawal, Distribution Provider, subject to the provisions of Section 6.5 of the GIP, and Sections 3.2.2 or 4.2.1.1 of the GIP, as applicable, shall provide, at Interconnection Customer's request, all information that Distribution Provider developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

SECTION 3. Independent Study Process

3.1 Applicability

The Independent Study Process shall be used by an Interconnection Customer proposing to interconnect its Generating Facility with the Distribution Provider's Distribution System if the proposed Generating Facility passes the Electrical Independence Test to qualify for the Independent Study Process.

3.1.1 Independent Study Process Screen.

To qualify for inclusion under the Independent Study Process, an Interconnection Customer must pass the Electrical Independence Test.

The Distribution Provider will determine whether an Interconnection Request can be eligible for study under the Independent Study Process by performing the Electrical Independence Test. The Electrical Independence Test for Interconnection Requests proposing to interconnect to the Distribution System will consist of two parts: (1) the determination of electrical independence for the CAISO Grid, and (2) an evaluation by the Distribution Provider of known or reasonably anticipated, in the engineering judgment of the Distribution Provider, relationships to yet-to-be completed Interconnection Studies of earlier queued Generating Facilities to which the Generating Facility under consideration for the Electrical Independence Test is electrically related. The Interconnection Request must pass the determination of electrical independence for the CAISO Grid, as well as the Distribution Provider's evaluation of electrical independence for the Distribution System in order to be eligible for the Independent Study Process.

3.1.1.1 The Determination of Electrical Independence for the CAISO Grid

If the Interconnection Request to the Distribution System is of sufficient MW size to be reasonably anticipated, in the engineering judgment of the Distribution Provider in consultation with the CAISO, to require or contribute to the need for Network Upgrades, Distribution Provider will perform (or request that the CAISO perform) the incremental power flow, aggregate power flow and short-circuit duty tests as set forth in the

interconnection procedures of the CAISO Tariff. If the Interconnection Request does not pass the CAISO Grid incremental power flow, aggregate power flow, and short-circuit duty tests, then it fails the evaluation of electrical independence for the CAISO Grid.

If Distribution Provider does not reasonably anticipate, in the engineering judgment of the Distribution Provider, to require or contribute to the need for Network Upgrades, then the Interconnection Request will be deemed to have passed the determination of electrical independence for the CAISO Grid, and will be separately evaluated by Distribution Provider, as set forth in Section 3.1.1.2 below.

3.1.1.2 The Distribution Provider Evaluation of Electrical Independence for the Distribution System

Distribution Provider will evaluate each Interconnection Request for known or reasonably anticipated, in the engineering judgment of the Distribution Provider, relationships between the Interconnection Request and any earlier-queued Interconnection Requests in the Fast Track Process, the Independent Study Process, the Cluster Study Process, any predecessor interconnection procedures, or under Rule 21, that have yet to complete their respective studies or reviews. Distribution Provider will use existing Interconnection Studies, Base Case Data, overall system knowledge, and engineering judgment to determine whether an Interconnection Request can be studied independently of earlier queued Interconnection Requests. If the Interconnection Request being evaluated for electrical independence on the Distribution System may be related to earlier-queued Generating Facilities that have yet to complete their respective studies or reviews, then it fails the evaluation of electrical independence for the Distribution System.

3.1.1.3 Distribution Provider Informs Interconnection Customer

The Distribution Provider will inform an Interconnection Customer whether it has satisfied the requirements set forth in Section 3.1.1 above, within twenty (20) Business Days from deeming the Interconnection Request complete pursuant to Section 1.3 of this GIP. Any Interconnection Request that does not satisfy the criteria set forth in Section 3.1.1 above, shall be deemed withdrawn, subject to Section 1.10 of this GIP, without prejudice of the Interconnection Customer submitting a new Interconnection Request into a later Cluster Application Window, unless the Interconnection Customer notifies the Distribution Provider in writing within fifteen (15) Business Days of the notification of failure of the Electrical Independence Test that it wishes the Distribution Provider to hold the Interconnection Request for inclusion in the next available Cluster Application Window.

An Interconnection Request that fails the Electrical Independence Test, including either the CAISO test for independence under this GIP Section 3.1.1.1 or the Distribution Provider test for independence under this GIP Section 3.1.1.2, will be required to wait until the next Cluster Application Window, or twelve (12) months from the date the Interconnection Customer was informed of the failure of the Electrical Independence Test to resubmit an Interconnection Request within a similar Point of Interconnection, unless all of the relevant studies or reviews have been completed for the queued ahead Interconnection Requests that were the cause of the Interconnection Request failing this GIP Section 3.1.1.2 test. A similar Point of Interconnection is any Point of Interconnection that would be electrically related to the original Interconnection Request that failed the Electrical Independence Test.

3.2 Processing of Interconnection Request

3.2.1 Initiating an Interconnection Request.

To initiate an Interconnection Customer under the Independent Study Process, Interconnection Customer must submit all of the following:

- 3.2.1.1 a nonrefundable \$800.00 Interconnection Request fee and Interconnection Study Deposit.

For a Generating Facility with a Gross Nameplate Rating of 5 MW or less, Interconnection Customer must submit an Interconnection Study Deposit of \$10,000.00 for the Interconnection System Impact Study, and where an Interconnection Facilities Study is required, an additional \$15,000.00 deposit must be submitted pursuant to Section 3.6.1;

For a Generating Facility with a Gross Nameplate Rating above 5 MW, Interconnection Customer must submit an Interconnection Study Deposit equal to \$50,000.00 plus \$1,000.00 per MW of electrical output of the Generating Facility, or the increase in electrical output of the existing Generating Facility, as applicable, rounded up to the nearest whole MW, up to a maximum of \$250,000.00;

- 3.2.1.2 a completed Interconnection Request in the form of Appendix 1 to the GIP, including requested deliverability status, preferred Point of Interconnection and voltage level, and all other technical data; and
- 3.2.1.3 demonstration of Site Exclusivity. The demonstration of Site Exclusivity, at a minimum, must be through the Commercial Operation Date of the new Generating Facility or increase in capacity of the existing Generating Facility.

3.2.2 Use of Interconnection Study Deposit.

The Interconnection Study Deposit shall be applied to pay for prudent costs incurred by the Distribution Provider, the CAISO, or third parties at the direction of the Distribution Provider or CAISO, as applicable, to perform and administer the Interconnection Studies. The Interconnection Study Deposits shall be refundable as follows:

- 3.2.2.1 Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written notice under Section 1.10 of this GIP on or before thirty (30) Calendar Days following the Scoping Meeting, the Distribution Provider shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit that exceeds the costs the Distribution Provider, CAISO, and third parties have incurred on the Interconnection Customer's behalf, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).
- 3.2.2.2 Should an Interconnection Request made under this GIP Section 3.2.1 be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written notice under Section 1.10 of this GIP more than thirty (30) Calendar Days after the Scoping Meeting, but on or before thirty (30) Calendar Days following the Results Meeting (or the latest date permitted under this GIP for a Results Meeting if an Interconnection Customer elects not to have a Results Meeting) for the Interconnection System Impact Study, the Distribution Provider shall refund to the Interconnection Customer the greater of the difference between the costs the Distribution Provider, CAISO, and third parties have incurred on the Interconnection Customer's behalf or one-half of the original Interconnection Study Deposit up to a maximum of \$100,000.00, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).
- 3.2.2.3 Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written notice under Section 1.10 of this GIP at any time more than thirty (30) Calendar Days after the Results Meeting (or the latest date permitted under this GIP for a Results Meeting if an Interconnection Customer elects not to

have a Results Meeting) for the Interconnection System Impact Study, the Interconnection Study Deposit shall be nonrefundable.

- 3.2.2.4 Upon execution of a GIA by an Interconnection Customer and the Distribution Provider, or the approval by FERC of an unexecuted GIA, the Distribution Provider shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit that exceeds the costs the Distribution Provider, CAISO, and third parties have incurred on the Interconnection Customer's behalf, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the FERC's regulations at 18 CFR § 35.19a(a)(2)(iii).

Notwithstanding the foregoing, an Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request shall be obligated to pay to the Distribution Provider all costs in excess of the Interconnection Study Deposit that have been prudently incurred or irrevocably have been committed to be incurred with respect to that Interconnection Request prior to withdrawal. The Distribution Provider will reimburse the CAISO or third parties, as applicable, for all work performed on behalf of the withdrawn Interconnection Request at the Distribution Provider's direction. The Interconnection Customer must pay all monies due before it is allowed to obtain any Interconnection Study data or results. Any proceeds of the Interconnection Study Deposit not otherwise reimbursed to the Interconnection Customer or applied to costs incurred or irrevocably committed to be incurred for the Interconnection Studies shall be remitted to the CAISO and treated in accordance with CAISO Tariff Section 37.9.4, or any successor tariff.

3.3 Scoping Meeting

- 3.3.1 **A Scoping Meeting will be scheduled within ten (10) Business Days after the Interconnection Request is deemed complete pursuant to Section 1.3 above and is deemed to have passed the Electrical Independence Test pursuant to Section 3.1 of this GIP, or as otherwise mutually agreed to by the Parties.** The Distribution Provider and the Interconnection Customer will bring to the meeting personnel, including system engineers and other resources as may be reasonably required to accomplish the purpose of the meeting.
- 3.3.2 **The purpose of the Scoping Meeting is to discuss the Interconnection Request and review existing studies relevant to the Interconnection Request.** The Parties shall further discuss whether the Distribution Provider should perform an Interconnection System Impact Study, or proceed directly to an Interconnection Facilities Study, or a GIA. If the Parties agree that an

Interconnection System Impact Study should be performed, the Distribution Provider shall provide the Interconnection Customer, as soon as possible, but no later than fifteen (15) Business Days after the Scoping Meeting, an Interconnection System Impact Study agreement (Appendix 7 to this GIP) including an outline of the scope of the study.

3.3.3 The Scoping Meeting may be omitted by mutual agreement.

Within five (5) Business Days following the Scoping Meeting, or after the Interconnection Request has been deemed complete if Scoping Meeting is omitted, the Interconnection Customer shall designate the Point of Interconnection for the Interconnection System Impact Study otherwise, Distribution Provider shall use the information provided in the Interconnection Request. The Distribution Provider shall provide the Interconnection Customer, no later than fifteen (15) Business Days after the Scoping Meeting or after the Interconnection Request has been deemed complete if Scoping Meeting is omitted, an Interconnection System Impact Study agreement (Appendix 7 to this GIP) including an outline of the scope of the study. In order to remain in consideration for interconnection, an Interconnection Customer must return the executed Interconnection System Impact Study agreement (Appendix 7 to this GIP) within thirty (30) Business Days after the Distribution Provider provides the Interconnection Customer with the Interconnection System Impact Study agreement. In the case where one or both Interconnection Studies are determined to be unnecessary, a notice of the fact shall be transmitted to the Interconnection Customer within the same time frame.

- 3.4 Request for Full Capacity Deliverability Under The Independent Study Process
Unless specified otherwise in the Interconnection Request, Generating Facilities studied under the Independent Study Process will be assumed to have selected Energy-Only Deliverability Status. If an Interconnection Customer requests Full Capacity Deliverability Status in its Interconnection Request for the Independent Study Process, the Generating Facility will initially be studied in the Independent Study Process as Energy-Only Deliverability Status. The Deliverability Assessment for Interconnection Requests in the Independent Study Process that request Full Capacity Deliverability Status will be performed in conjunction with the next available Cluster Study Process pursuant to Section 4.5 of this GIP, or as part of the Additional Deliverability Assessment Options as set forth in Section 4.7 of this GIP.

3.5 Interconnection System Impact Study

- 3.5.1 An Interconnection System Impact Study shall identify and detail the electric system impacts that would result if the proposed Generating Facility were interconnected without project modifications or electric system modifications or to study potential impacts, including but not limited to those identified in the Scoping Meeting.** An Interconnection System Impact Study shall evaluate the impact of the proposed interconnection on

the reliability of the electric system.

3.5.2 If potential electric power Distribution System Adverse System Impacts are identified in the Scoping Meeting, an Interconnection System Impact Study must be performed.

The Distribution Provider shall send the Interconnection Customer an Interconnection System Impact Study agreement pursuant to Section 3.3 above.

3.5.3 In order to remain under consideration for interconnection, the Interconnection Customer must return executed Interconnection System Impact Process Study agreement pursuant to Section 3.3.3 above.

3.5.4 The scope of and cost responsibilities for an Interconnection System Impact Study are described in the Interconnection System Impact Study agreement (Appendix 7 to this GIP).

3.5.5 Where Transmission Systems and Distribution Systems have separate owners, as is the case with transmission-dependent utilities ("TDUs"), whether investor-owned or not, the Interconnection Customer may apply to the nearest transmission provider (e.g., transmission owner, regional transmission operator, or independent transmission provider) providing transmission service to the TDU to request project coordination. Affected Systems shall participate in the study and provide all information necessary to prepare the study.

3.5.6 Once the required Interconnection System Impact Study is completed, an Interconnection System Impact Study report shall be prepared and transmitted to the Interconnection Customer. If requested by the Interconnection Customer, a Results Meeting shall be held among the Distribution Provider, the CAISO, if applicable, and the Interconnection Customer to discuss the results of the Interconnection System Impact Study, including assigned cost responsibility. Within five (5) Business Days of such request, Distribution Provider shall contact Interconnection Customer to establish a date agreeable to Interconnection Customer, Distribution Provider and the CAISO, if applicable, for the Results Meeting. Within fifteen (15) Business Days of the transmittal of the Interconnection System Impact Study report or, if applicable the Interconnection System Impact Study Results Meeting, the Distribution Provider will provide to the Interconnection Customer a pro forma Interconnection Facilities Study Agreement in the form set forth in Appendix 8 of this GIP and an invoice to perform the Interconnection Facilities Study for Generating Facilities with gross nameplate rating of 5 MW or less. In the case where one or both Interconnection Studies are determined to be unnecessary, a notice of the fact shall be transmitted to the Interconnection Customer within the same time frame.

3.5.7 Initial Posting of Interconnection Financial Security

The Interconnection Customer shall make its initial posting of Interconnection Financial Security in accordance with the requirements of Section 3.11 of this GIP, within sixty (60) Calendar Days after being provided with the final Interconnection System Impact Study report, or its Interconnection Request shall be deemed withdrawn, subject to Section 1.10 of this GIP. The initial posting of Interconnection Financial Security will be based on the cost responsibility for Network Upgrades, Distribution Upgrades, and Distribution Provider's Interconnection Facilities set forth in the final Interconnection System Impact Study. If the Interconnection System Impact Study is waived, then such posting will be based upon the cost responsibility set forth in the Interconnection Facilities Study described in Section 3.6 below.

3.5.8 Modifications in Between the Interconnection System Impact Study and Interconnection Facilities Study

At any time during the course of the Interconnection Studies, the Interconnection Customer, the Distribution Provider, or the CAISO, as applicable, 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 the Distribution Provider, the CAISO, as applicable, and Interconnection Customer, such acceptance not to be unreasonably withheld, Distribution Provider shall modify the Point of Interconnection and/or configuration in accordance with such changes without altering the Interconnection Request's eligibility for participating in Interconnection Studies. At the Interconnection System Impact Study Results Meeting, the Interconnection Customer should be prepared to discuss any desired modifications to the Interconnection Request. After the distribution of the final Interconnection System Impact Study, but no later than five (5) Business Days following the Interconnection System Impact Study Results Meeting, the Interconnection Customer shall submit to Distribution Provider, in writing, modifications to any information provided in the Interconnection Request. The Distribution Provider will forward the Interconnection Customer's request for modification to the CAISO, if applicable, within two (2) Business Days of receipt.

Modifications permitted under this Section shall include specifically: (a) a decrease in the electrical output (MW) of the proposed project; (b) modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics; and (c) modifying the interconnection configuration. As the Interconnection Requests in the Independent Study Process are studied as Energy-Only Deliverability Status for purposes of the Interconnection System Impact Study and the Interconnection Facilities Study, and the Deliverability Assessment is performed only as part of the next available

Cluster Study Process, there is no ability for the Interconnection Customer to switch from Full Capacity Deliverability Status to Energy-Only Deliverability Status in between the Interconnection System Impact Study and Interconnection Facilities Study.

If the proposed modification is determined to be a Material Modification, the Interconnection Customer may either withdraw the proposed modification or proceed with a new Interconnection Request for such modification. Interconnection Customer shall make such determination within ten (10) Business Days after being provided the Material Modification determination results.

For any other modification, the Interconnection Customer may first request that Distribution Provider evaluate whether such modification is a Material Modification. In response to Interconnection Customer's request, Distribution Provider, in coordination with the CAISO and any Affected System Operator, if applicable, 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 for that specified by the Distribution Provider in an Interconnection Study or otherwise allowed under this Section 3.5.8, shall constitute a Material Modification. Interconnection Customer may then either withdraw the proposed modification or proceed with a new Interconnection Request for such modification. The Interconnection Customer shall remain eligible to proceed with the Facilities Study if the modifications are in accordance with this Section 3.5.8.

3.6 Interconnection Facilities Study

3.6.1 **In order to remain under consideration for interconnection, or, as appropriate, in the Distribution Provider's interconnection queue, the Interconnection Customer must submit the Interconnection Facilities Study deposit and return the executed Interconnection Facilities Study Agreement within thirty (30) Business Days of receipt of the Interconnection Facilities Study Agreement.** The

Interconnection Customer may forgo this Interconnection Facilities Study and move directly to a GIA pursuant to Section 6.8 below, if it agrees in writing to be responsible for all actual costs of all required facilities deemed necessary by the Distribution Provider.

3.6.2 The Interconnection Facilities Study shall specify and estimate the cost of the equipment, engineering, procurement and construction work (including overheads) needed to implement the conclusions of the Interconnection System Impact Study(ies).

3.6.3 **Design for any required Interconnection Facilities and/or Upgrades shall be performed under the Interconnection**

Facilities Study Agreement. The Distribution Provider may contract with consultants to perform activities required under the Interconnection Facilities Study Agreement. The Interconnection Customer and the Distribution Provider may agree to allow the Interconnection Customer to separately arrange for the design of some of the Interconnection Facilities. In such cases, facilities design will be reviewed and/or modified prior to acceptance by the Distribution Provider, under the provisions of the Interconnection Facilities Study Agreement. If the Parties agree to separately arrange for design and construction, and provided security and confidentiality requirements can be met, the Distribution Provider shall make sufficient information available to the Interconnection Customer in accordance with confidentiality and critical infrastructure requirements to permit the Interconnection Customer to obtain an independent design and cost estimate for any necessary facilities.

3.6.4 The scope of and cost responsibilities for the Interconnection Facilities Study are described in the attached Interconnection Facilities Study Agreement, Appendix 8 of this GIP.

3.6.5 Second and Third Postings of Interconnection Financial Security.

The Interconnection Customer will post its second posting and third postings of Interconnection Financial Security as set forth in Section 3.11 below, based on the cost responsibility for Network Upgrades, Distribution Upgrades, and the Distribution Provider's Interconnection Facilities set forth in the Interconnection Facilities Study.

3.6.6 If requested by the Interconnection Customer, a Results Meeting shall be held among Distribution Provider, the CAISO, if applicable, and Interconnection Customer to discuss the results of the Interconnection Facilities Study, including assigned cost responsibility. Within five (5) Business Days of the request, Distribution Provider shall contact Interconnection Customer to establish a date agreeable to Interconnection Customer, Distribution Provider and the CAISO, if applicable, for the Results Meeting.

3.6.7 Within thirty (30) Calendar Days after Distribution Provider provides the final Interconnection Facilities Study report to Interconnection Customer, or within thirty (30) Calendar Days of an Interconnection Facilities Study Results Meeting if requested, Distribution Provider shall tender a draft GIA, together with draft appendices. Refer to Section 6.8 below for time frames for completing the GIA.

3.7 Deliverability Assessment

Interconnection Customers that request Full Capacity Deliverability Status will have a Deliverability Assessment performed as part of the next available Cluster Study Process. If the succeeding Deliverability Assessment identifies any Delivery Network Upgrades that are triggered by the Interconnection Request, the Interconnection Customer will be responsible to pay its proportionate share of the costs of those Upgrades, pursuant to

Section 3.10 of this GIP. If the Generating Facility achieves its Commercial Operation Date before the Deliverability Assessment is completed and any necessary Delivery Network Upgrades are yet to be constructed, the proposed Generating Facility will be treated as an Energy-Only Deliverability Status Generating Facility until such time as the Delivery Network Upgrades are constructed and in service. If the Interconnection Customer and Distribution Provider have executed a GIA before the Deliverability Assessment is completed and any necessary Delivery Network Upgrades are allocated to Interconnection Customer, the GIA will be amended to include the Interconnection Customer's financial responsibility for the Delivery Network Upgrades.

3.8 Extensions of Commercial Operation Date

Extensions of the Commercial Operation Date will be agreed upon in the executed GIA. Reasonable Commercial Operation Dates will be discussed at the Interconnection Facilities Study Results Meeting or the System Impact Study Results Meeting if the Interconnection Facilities Study is waived. Interconnection Requests under the Independent Study Process will not be granted extensions except in circumstances beyond the control of Interconnection Customer. This provision has no impact on any power purchase agreement terms.

3.9 Financing of Distribution Provider's Interconnection Facilities, Distribution Upgrades and Reliability Network Upgrades

The responsibility to finance Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Reliability Network Upgrades identified in the Interconnection Facilities Study shall be assigned solely to the applicable Interconnection Customer.

3.10 Financing of Delivery Network Upgrades

The responsibility to finance Delivery Network Upgrades identified in the On-Peak Deliverability Assessment and Off-Peak Deliverability Assessment as part of the Cluster Study Process for Interconnection Requests seeking Full Capacity Deliverability Status, including Interconnection Requests studied under the Independent Study Process shall be assigned to all Interconnection Requests selecting Full Capacity Deliverability Status based on the flow impact of each such Generating Facility on each Delivery Network Upgrade as determined by the generation distribution factor methodology set forth in the interconnection procedures of the CAISO Tariff.

3.11 Interconnection Financial Security for Generating Facilities

The Interconnection Customer must post Interconnection Financial Security pursuant to this Section 3.11 in order to remain in the Independent Study Process.

3.11.1 Types of Interconnection Financial Security.

The Interconnection Financial Security posted by an Interconnection Customer may be any combination of the following types of financial instruments, provided in favor of the Distribution Provider:

- 3.11.1.1 an irrevocable and unconditional letter of credit issued by a bank or financial institution that has a credit rating of A or

better by Standard and Poor's or A2 or better by Moody's;

- 3.11.1.2 an unconditional and irrevocable guaranty issued by a company has a credit rating of A or better by Standard and Poor's or A2 or better by Moody's;
- 3.11.1.3 a cash deposit standing to the credit of the Distribution Provider and in an interest-bearing escrow account maintained at a bank or financial institution that is reasonably acceptable to the Distribution Provider.

To the greatest extent possible, the Interconnection Customer will use industry standard forms for the instruments of Interconnection Financial Security utilized in this Section 3.11.1, such as standard forms used within the financial and electrical industries. The instruments of Interconnection Financial Security listed in this Section 3.11.1 shall be in such form and format as the Distribution Provider may reasonably require from time to time by notice to Interconnection Customers, or in such other form as has been evaluated and approved as reasonably acceptable by the Distribution Provider.

If at any time the guarantor of the Interconnection Financial Security fails to maintain the credit rating required by this Section 3.11.1, the Interconnection Customer shall provide to the Distribution Provider replacement Interconnection Financial Security that meets the requirements of this Section 3.11.1 within five (5) Business Days of the change in credit rating.

Interest on a cash deposit standing to the credit of the Distribution Provider in an interest-bearing escrow account under Section 3.11.1.3 above will accrue to the Interconnection Customer's benefit.

3.11.2 Initial Postings of Interconnection Financial Security.

The Interconnection Customer shall post, two separate Interconnection Financial Security instruments: (i) a posting relating to the Network Upgrades; and (ii) a posting relating to the Distribution Provider's Interconnection Facilities and Distribution Upgrades. The Interconnection Customer shall provide the Distribution Provider with written notice that it has posted the required Interconnection Financial Security no later than the applicable final day for posting.

3.11.2.1 Timing of Initial Postings of Interconnection Financial Security

The initial postings set forth in this Section 3.11.2 shall be made on or before sixty (60) Calendar Days after the Distribution Provider provides the results of the final Interconnection System Impact Study.

3.11.2.2 Initial Posting Amounts for Network Upgrades for a Small Generating Facility

For Network Upgrades for a Small Generating Facility with respect to Network Upgrades, the Interconnection Customer for a Generating Facility shall post an Interconnection Financial Security instrument in an amount equal to the lesser of the following:

- 3.11.2.2.1 Fifteen percent (15%) of the total cost responsibility assigned to the Interconnection Customer in the final Interconnection System Impact Study for Network Upgrades; or
- 3.11.2.2.2 \$20,000.00 per MW of electrical output of the Generating Facility or the amount of MW increase in the generating capacity of each existing Generating Facility as listed by the Interconnection Customer in its Interconnection Request, including any requested modifications thereto.
- 3.11.2.3 Initial Posting Amounts for Network Upgrades for a Large Generating Facility

With respect to Network Upgrades, the Interconnection Customer for a Large Generating Facility shall post an Interconnection Financial Security instrument in an amount equal to the lesser of the following:

- 3.11.2.3.1 Fifteen percent (15%) of the total cost responsibility assigned to the Interconnection Customer in the final Interconnection System Impact Study for Network Upgrades; or
- 3.11.2.3.2 \$20,000.00 per MW of electrical output of the Large Generating Facility or the amount of MW increase in the generating capacity of each existing Generating Facility as listed by the Interconnection Customer in its Interconnection Request, including any requested modifications thereto; or
- 3.11.2.3.3 \$7,500,000.00.
- 3.11.2.4 Initial Posting Amounts for Distribution Provider's Interconnection Facilities and Distribution Upgrades

The Interconnection Customer shall also post an Interconnection Financial Security instrument in the amount of the lesser of:

- 3.11.2.4.1 Twenty percent (20%) of the total estimated cost responsibility assigned to the Interconnection Customer in the final Interconnection System Impact Study for the Distribution Provider's Interconnection Facilities and Distribution Upgrades; or

3.11.2.4.2 \$20,000.00 per MW of electrical output of the Generating Facility or the amount of MW increase in the generating capacity of each existing Generation Facility as listed by the Interconnection Customer in its Interconnection Request.

3.11.3 Second Posting of Interconnection Financial Security.

The Interconnection Customer shall make second postings of two separate Interconnection Financial Security instruments: (i) a second posting relating to the Network Upgrades; and (ii) a second posting relating to the Distribution Provider's Interconnection Facilities and Distribution Upgrades. The Interconnection Customer shall provide the Distribution Provider with written notice that it has posted the required Interconnection Financial Security no later than the applicable final day for posting.

3.11.3.1 Timing of Second Postings of Interconnection Financial Security.

The postings in this Section 3.11.3 shall be made on or before one hundred twenty (120) Calendar Days after the Distribution Provider provides the results of the final Interconnection Facilities Study.

3.11.3.2 Second Posting Amounts for Network Upgrades for a Small Generating Facility

With respect to Network Upgrades, the Interconnection Customer for a Generating Facility shall post an Interconnection Financial Security instrument such that the total Interconnection Financial Security posted by the Interconnection Customer for equals the lesser of the following:

3.11.3.2.1 \$1 million; or

3.11.3.2.2 Thirty percent (30%) of the total cost responsibility assigned to the Interconnection Customer for Network Upgrades in the Interconnection System Impact Study, or Interconnection Facilities Study, whichever is lower.

3.11.3.3 Second Posting Amounts for Network Upgrades for a Large Generating Facility

With respect to Network Upgrades, the Interconnection Customer for a Large Generating shall post an Interconnection Financial Security instrument such that the total Interconnection Financial Security posted by the Interconnection Customer equals the lesser of the following:

3.11.3.3.1 \$15 million; or

3.11.3.3.2 Thirty percent (30%) of the total cost responsibility

assigned to the Interconnection Customer for Network Upgrades in the Interconnection System Impact Study, or Interconnection Facilities Study, whichever is lower.

3.11.3.4 Second Posting Amounts for Distribution Provider's Interconnection Facilities and Distribution Upgrades for Interconnection Requests

The Interconnection Customer shall also post an Interconnection Financial Security instrument such that the total Interconnection Financial Security posted by the Interconnection Customer for Distribution Provider's Interconnection Facilities and Distribution Upgrades equals thirty percent (30%) of the total cost responsibility assigned to the Interconnection Customer in the final Interconnection Facilities Study for Distribution Provider's Interconnection Facilities and Distribution Upgrades.

3.11.3.5 Alteration of Second Posting Date due to Early Commencement of Construction Activities

If the start date for Construction Activities of Network Upgrades, Distribution Provider's Interconnection Facilities and Distribution Upgrades on behalf of the Interconnection Customer is prior to one hundred twenty (120) Calendar Days after publication of the final Interconnection Facilities Study report, that start date must be set forth in the Interconnection Customer's GIA and the Interconnection Customer shall make its second posting of Interconnection Financial Security pursuant to Section 3.11.4 below rather than this Section 3.11.3.

3.11.4 Third Posting of Interconnection Financial Security.

On or before the start of Construction Activities for Network Upgrades or Distribution Provider's Interconnection Facilities or Distribution Upgrades on behalf of the Interconnection Customer, whichever is earlier, the Interconnection Customer shall modify the two separate Interconnection Financial Security instruments posted pursuant to Section 3.11.3 above as follows:

3.11.4.1 With respect to the Interconnection Financial Security instrument for Network Upgrades, the Interconnection Customer shall modify this instrument so that it equals one hundred percent (100%) of the total cost responsibility assigned to the Interconnection Customer for Network Upgrades in the final Interconnection System Impact Study, or Interconnection Facilities Study, whichever is lower.

3.11.4.2 With respect to the Interconnection Financial Security instrument for Distribution Provider's Interconnection Facilities or Distribution Upgrades, the Interconnection Customer shall modify this instrument so that it equals one

hundred percent (100%) of the total cost responsibility assigned to the Interconnection Customer for Distribution Provider's Interconnection Facilities in the final Interconnection Facilities Study.

The Interconnection Customer shall provide the Distribution Provider with written notice that it has posted the required Interconnection Financial Security no later than the applicable final day for posting.

3.11.5 Consequences for Failure to Post Interconnection Financial Security.

The failure by an Interconnection Customer to timely post any and all Interconnection Financial Security required by this Section 3.11 shall constitute grounds for termination of the GIA.

3.11.6 General Effect of Withdrawal of Interconnection Request or Termination of the GIA on Interconnection Financial Security.

Withdrawal of an Interconnection Request or termination of a GIA shall allow the Distribution Provider to liquidate the Interconnection Financial Security, or balance thereof, posted by the Interconnection Customer for Network Upgrades at the time of withdrawal, subject to Section 1.10 of the GIP. To the extent the amount of the liquidated Interconnection Financial Security plus capital, if any had been separately provided by the Interconnection Customer to satisfy its obligation to finance Network Upgrades in accordance with Section 8.3 below exceeds the total cost responsibility for Network Upgrades assigned to the Interconnection Customer by the final Interconnection System Impact Study or Interconnection Facilities Study, whichever is lower, the Distribution Provider shall remit to the Interconnection Customer the excess amount.

Withdrawal of an Interconnection Request or termination of a GIA shall result in the release to the Interconnection Customer of any Interconnection Financial Security posted by the Interconnection Customer for Distribution Provider's Interconnection Facilities and Distribution Upgrades, except with respect to any amounts necessary to pay for costs incurred or irrevocably committed by the Distribution Provider on behalf of the Interconnection Customer for the Distribution Provider's Interconnection Facilities and Distribution Upgrades and for which the Distribution Provider has not been reimbursed.

Notwithstanding the foregoing in this Section 3.11.6, if Interconnection Customer withdraws for the reasons specified in Section 3.11.6.1 below, the Interconnection Customer may receive partial recovery of its Interconnection Financial Security, as set forth in Section 3.11.6.2 below.

3.11.6.1 Conditions for Partial Recovery of Interconnection Financial Security Upon Withdrawal of Interconnection Request or Termination of GIA

A portion of the Interconnection Financial Security shall be released to the

Interconnection Customer, consistent with Section 3.11.6.2 below, if the withdrawal of the Interconnection Request or termination of the GIA occurs for any of the following reasons:

3.11.6.1.1 Failure to Secure a Power Purchase Agreement

At the time of withdrawal of the Interconnection Request or termination of the GIA, the Interconnection Customer demonstrates to the Distribution Provider that it has failed to secure an acceptable power purchase agreement for the energy or capacity of the Generating Facility after a good faith effort to do so. A good faith effort can be established by demonstrating participation in a competitive solicitation process or bilateral negotiations with an entity other than an Affiliate that progressed, at minimum, to the mutual exchange by all counter-parties of proposed term sheets.

3.11.6.1.2 Failure to Secure a Necessary Permit

At the time of withdrawal of the Interconnection Request or termination of the GIA, the Interconnection Customer demonstrates to the Distribution Provider that it has received a final denial from the primary issuing Governmental Authority of any permit or other authorization necessary for the construction or operation of the Generating Facility.

3.11.6.1.3 Increase in the Cost of Distribution Provider's Interconnection Facilities or Distribution Upgrades

The Interconnection Customer withdraws the Interconnection Request or terminates the GIA based on an increase of: (a) more than 30% or \$300,000.00, whichever is greater, in the estimated cost of Distribution Provider's Interconnection Facilities; or (b) more than 30% or \$300,000.00, whichever is greater, in the estimated cost of Distribution Upgrades allocated to the Interconnection Customer from the Interconnection System Impact Study to the Interconnection Facilities Study. This Section 3.11.6.1.3 shall not apply if the cause of the cost increase under Sections 3.11.6.1.1 or 3.11.6.1.2 above is the result of a change requested by the Interconnection Customer pursuant to Section 3.5.8 of this GIP.

3.11.6.1.4 Material Change in Interconnection Customer's Interconnection Facilities Created by the Distribution Provider's Change in the Point of Interconnection.

The Interconnection Customer withdraws the Interconnection Request or terminates the GIA based on a material change from the Interconnection System Impact Study in the Point of Interconnection for the Generating Facility mandated by the

Distribution Provider and included in the final Interconnection Facilities Study. A material change in the Point of Interconnection shall be where the Point of Interconnection has moved to: (a) a different substation, (b) a different line on a different right of way, or (c) a materially different location than previously identified on the same line.

3.11.6.2 Schedule for Determining Non-Refundable Portion of the Interconnection Financial Security for Network Upgrades

3.11.6.2.1 Up to One Hundred Twenty (120) Calendar Days After the Final Interconnection Facilities Study Report.

If, at any time after the initial posting of the Interconnection Financial Security for Network Upgrades under Section 3.11.2 above and on or before one hundred twenty (120) Calendar Days after the date of issuance of the results of the final Interconnection Facilities Study, the Interconnection Customer withdraws the Interconnection Request or terminates the GIA, as applicable, in accordance with Section 3.11.6.1 above, the Distribution Provider shall liquidate the Interconnection Financial Security for Network Upgrades under Section 3.11 of this GIP and reimburse the Interconnection Customer in an amount of:

- (a) any posted amount less fifty percent (50%) of the value of the posted Interconnection Financial Security for Network Upgrades (with a maximum of \$10,000.00 per requested and approved MW value of the Generating Facility Capacity at the time of withdrawal being retained by the Distribution Provider); or
- (b) if the Interconnection Financial Security has been drawn down to finance Pre-Construction Activities for Network Upgrades on behalf of the Interconnection Customer, the lesser of the remaining balance of the Interconnection Financial Security or the amount calculated under (a) above.

If the Interconnection Customer has separately provided capital apart from the Interconnection Financial Security to finance Pre-Construction Activities for Network Upgrades, the Distribution Provider will credit the capital provided as if drawn from the Interconnection Financial Security and apply (b) above.

3.11.6.2.2 Between One Hundred Eighty-One (181) Calendar

Days and After the Final Interconnection Facilities Study Results and the Commencement of Construction Activities.

If, at any time between one hundred eighty-one (181) Calendar Days and after the date of issuance of the final Interconnection Facilities Study Report, and the commencement of Construction Activities for either Network Upgrades or Distribution Provider's Interconnection Facilities or Distribution Upgrades, the Interconnection Customer withdraws the Interconnection Request or terminates the GIA, as applicable, in accordance with Section 3.11.6.1 above, the Distribution Provider shall liquidate the Interconnection Financial Security for Network Upgrades under Section 3.11 of this GIP and reimburse the Interconnection Customer in an amount of:

- (a) any posted amounts less fifty percent (50%) of the value of the posted Interconnection Financial Security for Network Upgrades (with a maximum of \$20,000.00 per requested and approved MW value of the Generating Facility Capacity at the time of withdrawal being retained by the Distribution Provider); or
- (b) if the Interconnection Financial Security has been drawn down to finance Pre-Construction Activities for Network Upgrades on behalf of the Interconnection Customer, the lesser of the remaining balance of the Interconnection Financial Security or the amount calculated under (a) above. If the Interconnection Customer has separately provided capital apart from the Interconnection Financial Security to finance Pre-Construction Activities for Network Upgrades, the Distribution Provider will credit the capital provided as if drawn from the Interconnection Financial Security and apply (b) above.

3.11.6.3 Special Treatment Based on Failure to Obtain Necessary Permit or Authorization from Governmental Authority

If at any time after the posting requirement under Section 3.11 of this GIP, the Interconnection Customer withdraws the Interconnection Request or terminates the GIA, as applicable, in accordance with Section 3.11.6.1.2 above, and the Delivery Network Upgrades to be financed by the Interconnection Customer under Section 3.10 of this GIP that are also to be financed by one or more other Interconnection Customers, then Section 3.11.6.1.1 above shall apply, except that the Interconnection Customer

shall not be reimbursed for its share of any actual costs incurred or irrevocably committed by the Distribution Provider for Construction Activities.

3.11.6.4 No Refund of Interconnection Financial Security if Withdrawal After Commencement of Construction Activities

Except as otherwise provided in Section 3.11.6.3 above, if Interconnection Customer withdraws its Interconnection Request or terminates the GIA at any time after the commencement of Construction Activities on behalf of the Interconnection Customer for Network Upgrades, Distribution Upgrades, or Distribution Providers Interconnection Facilities, any withdrawal of the Interconnection Request or termination of the GIA by the Interconnection Customer will be treated in accordance with this Section 3.11.6.

3.11.6.5 Notification to Interconnection Customer and Accounting by Distribution Provider

The Distribution Provider will notify the Interconnection Customer within three (3) Business Days of liquidating any Interconnection Financial Security. Within seventy-five (75) Calendar Days of any liquidating event, the Distribution Provider will provide the CAISO, if applicable, and Interconnection Customer with an accounting of the disposition of the proceeds of the liquidated Interconnection Financial Security and remit to the Interconnection Customer all proceeds not otherwise reimbursed to the Interconnection Customer or applied to costs incurred or irrevocably committed by the Distribution Provider on behalf of the Interconnection Customer in accordance with this GIP Section 3.11.

3.12 Generator Interconnection Agreement

3.12.1 Tender.

Within thirty (30) Calendar Days after the Distribution Provider provides the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived) to the Interconnection Customer, the Distribution Provider shall tender a draft GIA, together with draft appendices. The draft GIA shall be in the form of Distribution Provider's FERC-approved form GIA, which are in Attachments E (SGIA) and G (LGIA) to the Tariff. The Interconnection Customer shall provide written comments, or notification of no comments, to the draft appendices within thirty (30) Calendar Days.

3.12.2 Negotiation.

Notwithstanding Section 3.12.1 above, at the request of Interconnection Customer, Distribution Provider shall begin negotiations with Interconnection Customer concerning the appendices to the GIA at any time after the Distribution Provider provides the Interconnection Customer with the final Interconnection

Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived). Distribution Provider and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft GIA for not more than ninety (90) Calendar Days after the Distribution Provider provides the Interconnection Customer with the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived). If Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft GIA pursuant to Section 3.12.1 above and request submission of the unexecuted GIA with FERC or initiate Dispute Resolution procedures pursuant to Section 6.2 below.

If Interconnection Customer requests termination of the negotiations, but within ninety (90) Calendar Days after issuance of the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived), fails to request either the filing of the unexecuted GIA or initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if Interconnection Customer has not executed the GIA, requested filing of an unexecuted GIA, or initiated Dispute Resolution procedures pursuant to Section 6.2 below within one hundred twenty (120) Calendar Days after issuance of the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived), it shall be deemed to have withdrawn its Interconnection Request. Distribution Provider shall provide to Interconnection Customer a final GIA within fifteen (15) Business Days after the completion of the negotiation process.

SECTION 4. Cluster Study Process

4.1 Timing for Submitting Interconnection Requests

Interconnection Requests must be submitted during a Cluster Application Window as defined in Attachment 1 to this GIP. There are two Cluster Application Windows associated with each Interconnection Study Cycle. The first Cluster Application Window for Interconnection Requests not requiring assessment in the CAISO's Base Case studies will open on October 15, 2014 and close on November 15, 2014 and thereafter reopen each year for the period October 15 through November 15. The second Cluster Application Window will open on April 1, 2014 and close on April 30, 2014 and thereafter reopen each year for the period April 1 through April 30. If the Interconnection Request requires consideration in the CAISO's single annual Cluster Application Window under the interconnection procedures set forth in the CAISO Tariff, an Interconnection Request must be submitted to the CAISO during the second Cluster Application Window. In the event that any date set forth in this Section 4.1 is not a Business Day, then the applicable date shall be the next Business Day thereafter.

The Distribution Provider may change the Cluster Application Window interval and opening or closing dates at any time. Any changes to the Cluster Application Window interval and opening or closing dates will be posted on the Distribution Provider's website. If there is a conflict between the Cluster Application Window interval and

opening or closing dates posted on the Distribution Provider's website and the dates identified in this Section 4.1, the dates posted on the Distribution Provider's website shall control.

4.2 Processing of Interconnection Request

4.2.1 Initiating an Interconnection Request.

To initiate an Interconnection Request under the Cluster Study Process, an Interconnection Customer either seeking (1) to interconnect a proposed Generating Facility with the Distribution Provider's Distribution System, or (2) to increase the capacity of a Generating Facility that has achieved Commercial Operation, must submit during a Cluster Application Window all of the following: (i) an Interconnection Study Deposit equal to \$50,000.00 plus \$1,000.00 per MW of electrical output of the Generating Facility, or the increase in electrical output of the existing Generating Facility, as applicable, rounded up to the nearest whole MW, up to a maximum of \$250,000.00, (ii) a completed Interconnection Request in the form of Appendix 1 to this GIP, including requested Deliverability status, preferred Point of Interconnection and voltage level, and all other technical data, and (iii) demonstration of Site Exclusivity or a posting of a Site Exclusivity Deposit of \$100,000.00 for a Small Generating Facility or \$250,000.00 for a Large Generating Facility. The demonstration of Site Exclusivity, at a minimum, must be through the Commercial Operation Date of the new Generating Facility or increase in capacity of the existing Generating Facility.

An Interconnection Customer seeking to exercise the Annual Full Capacity Deliverability Option for Full Capacity Deliverability Status or Partial Capacity Deliverability Status in accordance with Section 4.7 of this GIP must submit during the applicable Cluster Application Window all of the following: (i) a completed Interconnection Request in the form of Appendix 1 to this GIP, including requested Deliverability status, preferred Point of Interconnection and voltage level, and all other technical data, and (ii) a non-refundable \$10,000.00 study fee, the unused portion of which will be refunded to the Interconnection Customer.

4.2.1.1 Use of Interconnection Study Deposit

Study Deposit shall be applied to pay for prudent costs incurred by the Distribution Provider or third parties at the direction of the Distribution Provider, to perform and administer the Interconnection Studies.

The Interconnection Study Deposits shall be refundable as follows:

- 4.2.1.1.1 Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written notice under Section 1.10 of this GIP on or before thirty (30) Calendar Days following the Scoping Meeting, the Distribution Provider shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study

Deposit that exceeds the costs the Distribution Provider and third parties have incurred on the Interconnection Customer's behalf, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the Commission's regulations at 18 CFR § 35.19a(a)(2)(iii).

- 4.2.1.1.2 Should an Interconnection Request made under Section 4.2.1 of this GIP be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written notice under Section 1.10 of this GIP more than thirty (30) Calendar Days after the Scoping Meeting, but on or before thirty (30) Calendar Days following the Results Meeting for the Phase I Interconnection Study, the Distribution Provider shall refund to the Interconnection Customer the difference between (i) the Interconnection Customer's Interconnection Study Deposit and (ii) the greater of the costs the Distribution Provider and third parties have incurred on the Interconnection Customer's behalf or one-half of the original Interconnection Study Deposit up to a maximum of \$100,000.00, including interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the Commission's regulations at 18 CFR § 35.19a(a)(2)(iii).
- 4.2.1.1.3 Should an Interconnection Request be withdrawn by the Interconnection Customer or be deemed withdrawn by the Distribution Provider by written notice under Section 1.10 of this GIP at any time more than thirty (30) Calendar Days after the Results Meeting for the Phase I Interconnection Study, the Interconnection Study Deposit shall be non-refundable.
- 4.2.1.1.4 Upon execution of a GIA by an Interconnection Customer and the Distribution Provider, or the approval by FERC of an unexecuted GIA, the Distribution Provider shall refund to the Interconnection Customer any portion of the Interconnection Customer's Interconnection Study Deposit that exceeds the costs the Distribution Provider and third parties have incurred on the Interconnection Customer's behalf, including interest from the date of receipt by the Distribution

Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the Commission's regulations at 18 CFR § 35.9a(a)(2)(iii).

Notwithstanding the foregoing, an Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request during an Interconnection Study Cycle shall be obligated to pay to the Distribution Provider all costs in excess of the Interconnection Study Deposit that have been prudently incurred or irrevocably have been committed to be incurred with respect to that Interconnection Request prior to withdrawal. The Distribution Provider will reimburse the third parties, as applicable, for all work performed on behalf of the withdrawn Interconnection Request at the Distribution Provider's direction. The Interconnection Customer must pay all monies due before it is allowed to obtain any Interconnection Study data or results.

4.2.1.2 Use of Site Exclusivity Deposit

The Site Exclusivity Deposit shall be refundable to the Interconnection Customer at any time upon demonstration of Site Exclusivity or the Interconnection Request is withdrawn by the Interconnection Customer or deemed withdrawn by the Distribution Provider by written notice under Section 1.10 of this GIP. The refund of the Site Exclusivity Deposit shall include interest from the date of receipt by the Distribution Provider to the date of payment to the Interconnection Customer. The applicable interest shall be computed in accordance with the FERC's regulations at 18 CFR § 35.19a(a)(2)(iii). The Site Exclusivity Deposit shall continue to be required after the Interconnection Customer either executes a GIA or requests the filing of an unexecuted GIA under Section 6.8.3 of this GIP if Site Exclusivity has not been demonstrated.

4.2.2 Validation of Interconnection Request.

4.2.2.1 Acknowledgment of Interconnection Request

The Distribution Provider shall notify the Interconnection Customer in writing within ten (10) Business Days of receipt of the Interconnection Request, which notice shall state whether the Interconnection Request is deemed valid.

4.2.2.2 Deficiencies in Interconnection Request

An Interconnection Request will not be considered to be a valid request until all items in Section 4.2.1 above have been received by Distribution Provider and deemed valid by the Distribution Provider. If an Interconnection Request fails to meet the requirements set forth in Section 4.2.1 of this GIP, Distribution Provider shall include in its notification to the Interconnection Customer under this Section 4.2.2 the reasons for such failure and that the Interconnection Request does not constitute a valid request. Interconnection Customer shall provide Distribution Provider the

additional requested information needed to constitute a valid request. Whenever the additional requested information is provided by the Interconnection Customer, the Distribution Provider shall notify the Interconnection Customer in writing within five (5) Business Days of receipt of the additional requested information whether the Interconnection Request is valid. If the Interconnection Request continues to fail to meet the requirements set forth in Section 4.2.1 of this GIP, the Distribution Provider shall include in its written notification to the Interconnection Customer the reasons for such failure. If an Interconnection Request has not been deemed valid, the Interconnection Customer must submit all information necessary to meet the requirements of Section 4.2.1 of this GIP no later than twenty (20) Business Days after the close of the applicable Cluster Application Window or ten (10) Business Days after the Distribution Provider first provided written notice that the Interconnection Request was not valid, whichever is later. Interconnection Requests that have not met the requirements of Section 4.2.1 above, within twenty (20) Business Days after the close of the applicable Cluster Application Window or ten (10) Business Days after the Distribution Provider first provided written notice that the Interconnection Request was not valid, whichever is later, will not be included in Interconnection Study Cycle and will be deemed invalid.

4.3 Scoping Meeting

4.3.1 Timing.

Within ten (10) Business Days after the Distribution Provider notifies the Interconnection Customer of a valid Interconnection Request, the Distribution Provider shall establish a date agreeable to the Interconnection Customer and the CAISO, if applicable, for the Scoping Meeting. All Scoping Meetings shall occur no later than sixty (60) Calendar Days after the close of the Cluster Application Window, unless otherwise mutually agreed upon by the Parties.

4.3.2 Purpose.

The purpose of the Scoping Meeting shall be to discuss reasonable Commercial Operation Dates and alternative interconnection options, to exchange information including any transmission data that would reasonably be expected to impact such interconnection options, to analyze such information and to determine the potential feasible Points of Interconnection and eliminate alternatives given resources and available information. The Distribution Provider will bring to the meeting, as reasonably necessary to accomplish its purpose, the following:

- 4.3.2.1 such already available 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; and
- 4.3.2.2 general information regarding the number, location, and capacity of other Interconnection Requests in the Interconnection Study

Cycle that may potentially form a Cluster Study with the Interconnection Customer's Interconnection Request.

4.3.3 Interconnection Customer to Provide Information.

The Interconnection Customer will bring to the Scoping Meeting, in addition to the technical data in Attachment A of Appendix 1 to this GIP, any system studies previously performed. The Distribution Provider, the CAISO, if applicable, and the 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, the Interconnection Customer shall designate its Point of Interconnection. The duration of the meeting shall be sufficient to accomplish its purpose.

4.4 Generator Interconnection Study Process Agreement

Within thirty (30) Calendar Days of the close of the Cluster Application Window, the Distribution Provider shall provide to each Interconnection Customer with a valid Interconnection Request received during the Cluster Application Window a pro forma Generator Interconnection Study Process Agreement in the form set forth in Appendix 5 of this GIP. The pro forma Generator Interconnection Study Process Agreement shall specify that the Interconnection Customer is responsible for the actual cost of the Interconnection Studies, including reasonable administrative costs, and all requirements of this GIP. Within three (3) Business Days following the Scoping Meeting, the Interconnection Customer shall specify for inclusion in the attachment to the Generator Interconnection Study Process Agreement the Point of Interconnection for the Phase I Interconnection Study. Within ten (10) Business Days following the Distribution Provider's receipt of such designation, the Distribution Provider, in coordination with the CAISO, if applicable, shall provide to the Interconnection Customer a signed Generator Interconnection Study Process Agreement. The Interconnection Customer shall execute and deliver to the Distribution Provider the Generator Interconnection Study Process Agreement no later than thirty (30) Calendar Days after the Scoping Meeting.

4.5 Interconnection Studies

4.5.1 **Grouping Interconnection Requests.**

At Distribution Provider's option, and in coordination with the CAISO, as applicable, an Interconnection Request received during a particular Cluster Application Window may be studied individually or in a Group Study for the purpose of conducting one or more of the analyses forming the Interconnection Studies. For each Interconnection Study within an Interconnection Study Cycle, the Distribution Provider, in coordination with the CAISO, may develop one or more Group Studies. A Group Study will include Interconnection Requests that electrically affect one another with respect to the analysis being performed without regard to the

nature of the underlying Interconnection Service and the CAISO's annual Transmission Plan. Grouping of Interconnection Requests for the purpose of determining Distribution System impacts and mitigation, as determined by the Distribution Provider, may differ from the grouping required for determining impacts and mitigation on the CAISO Grid as determined by the Distribution Provider, in coordination with the CAISO, given the non-network nature of the Distribution System. The Distribution Provider may also, in coordination with the CAISO, as applicable, conduct an Interconnection Study for an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Generating Facility from other Generating Facilities with Interconnection Requests in the same Interconnection Study Cycle.

An Interconnection Request's inclusion in a Group Study will not relieve the Distribution Provider from meeting the timelines for conducting the Phase I Interconnection Study provided in this GIP. Group Studies shall be conducted in such a manner to ensure the efficient implementation of the applicable regional transmission expansion plan in light of the Transmission System's capabilities at the time of each study.

- 4.5.2 **The Interconnection Studies consist of a Phase I Interconnection Study and a Phase II Interconnection Study, which may include, but are not limited to, short circuit/fault duty, steady state (thermal and voltage) and dynamic and/or stability analyses.** The analysis of impacts on, and upgrades required to, the CAISO Grid will be directed by the CAISO pursuant to the terms and conditions set forth in the interconnection procedures of the CAISO Tariff for Queue Cluster 7 and subsequent Queue Clusters. The Interconnection Studies will identify direct Interconnection Facilities, Distribution Upgrades and required Reliability Network Upgrades necessary to mitigate thermal overloads and voltage violations, and address short circuit, stability, and reliability issues associated with the requested Interconnection Service.

The Interconnection Studies will also identify Delivery Network Upgrades to allow the full output of a Generating Facility selecting Full Capacity Deliverability Status, the elected output of a Generating Facility seeking Partial Capacity Deliverability Status, and, as applicable, the maximum allowed output of the interconnecting Generating Facility without one or more Delivery Network Upgrades in accordance with the On-Peak Deliverability Assessment and Off-Peak Deliverability Assessment set forth in the interconnection procedures of the CAISO Tariff, as applicable.

The Distribution Provider will prepare an Interconnection Study report to

document the results of the Interconnection Study. The report shall include the results of the analysis of the impacts on and the upgrades required to the Distribution System, and the costs of the Distribution Provider's Interconnection Facilities and Distribution Upgrades, as well as the results of the analysis of impacts on and the Upgrades required to the CAISO Grid, and the costs of the Network Upgrades.

All cost estimates for Distribution Provider's Interconnection Facilities, report in present dollar costs as well as time-adjusted dollar costs, adjusted to the estimated year of construction of the components being constructed.

4.5.3 Scope and Purpose of the Phase I Interconnection Study.

The Phase I Interconnection Study shall, as applicable:

- 4.5.3.1 evaluate the impact of all Interconnection Requests received during the Cluster Application Windows for a particular year on the Distribution System and CAISO Grid;
- 4.5.3.2 preliminarily identify the Distribution Upgrades needed to address the impacts on the Distribution System;
- 4.5.3.3 preliminarily identify the Network Upgrades needed to address the impacts on the CAISO Grid of the Interconnection Requests;
- 4.5.3.4 preliminarily identify for each Interconnection Request required Distribution Provider's Interconnection Facilities;
- 4.5.3.5 assess the Point of Interconnection selected by each Interconnection Customer and potential alternatives to evaluate potential efficiencies in overall system upgrade costs;
- 4.5.3.6 establish the maximum cost responsibility for Network Upgrades assigned to each Interconnection Request in accordance with Section 4.5.4 below; and
- 4.5.3.7 provide a good faith estimate of the cost of Distribution Upgrades and Distribution Provider's Interconnection Facilities for each Interconnection Request.

If applicable, the portion of the Phase I Interconnection Study required to evaluate impacts on the CAISO Grid will be conducted in coordination with the CAISO in a manner consistent with the procedures set forth in the interconnection procedures of the CAISO Tariff.

The Phase I Interconnection Study may consist of a short circuit analysis, a stability analysis to the extent the Distribution Provider and CAISO, as applicable, reasonably expect transient or voltage stability concerns, a power flow analysis, including off-peak analysis, and an On-Peak and Off-

Peak Deliverability Assessment(s), as applicable, in accordance with Section 4.5.4.2 below.

The short circuit analysis will include an evaluation of the short circuit duty impacts of all Generating Facilities interconnecting to the Distribution System on the Transmission System, including Generating Facilities being studied under the Independent Study Process. The Phase I Interconnection Study will state for each Group Study or Interconnection Request studied individually: (i) the assumptions upon which it is based, (i) the results of the analyses, and (iii) the requirements or potential impediments to providing the requested Interconnection Service to all Interconnection Requests in a Group Study or to the Interconnection Request studied individually.

The Phase I Interconnection Study will provide, without regard to the requested Commercial Operation Dates of the Interconnection Requests, a list of Distribution Upgrades and Network Upgrades that are preliminarily identified as required as a result of the Interconnection Requests in a Group Study or as a result of any Interconnection Request studied individually and Distribution Provider's Interconnection Facilities associated with each Interconnection Request, and an estimate of any other financial impacts (i.e., on Local Furnishing Bonds).

4.5.4 Identification and Cost Allocation Methods for Network Upgrades and Distribution Upgrades in Phase I Interconnection Study.

4.5.4.1 Reliability Network Upgrades

The Distribution Provider, in coordination with the CAISO, as applicable, may perform short circuit and stability analyses for each Interconnection Request either individually or as part of a Group Study to preliminarily identify the Reliability Network Upgrades (as defined in the CAISO Tariff) needed to interconnect the Generating Facilities to the Distribution System. The Distribution Provider, in coordination with the CAISO, as applicable, shall also perform power flow analyses, under a variety of system conditions, for each Interconnection Request either individually or as part of a Group Study to identify reliability criteria violations, including applicable thermal overloads, that must be mitigated by Reliability Network Upgrades (as defined in the CAISO Tariff).

The estimated costs of short circuit related Reliability Network Upgrades (as defined in the CAISO Tariff) identified through a Group Study shall be assigned to all Interconnection Requests in that Group Study pro rata on the basis of the short circuit duty contribution of each Generating Facility.

The estimated costs of all other Reliability Network Upgrades (as defined in the CAISO Tariff) identified through a Group Study shall be assigned to all Interconnection Requests in that Group Study pro rata on the basis of the maximum MW electrical output of each proposed new Generating

Facility or the amount of MW increase in the generating capacity of each existing Generating Facility as listed by the Interconnection Customer in its Interconnection Request. The estimated costs of Reliability Network Upgrades (as defined in the CAISO Tariff) identified as a result of an Interconnection Request studied separately shall be assigned solely to that Interconnection Request.

4.5.4.2 Delivery Network Upgrades

4.5.4.2.1 The On-Peak Deliverability Assessment

An On-Peak Deliverability Assessment will be performed, in coordination with the CAISO, as applicable, for Interconnection Customers selecting Full Capacity Deliverability Status in their Interconnection Requests. The On-Peak Deliverability Assessment shall determine the Interconnection Customer's Generating Facility's ability to deliver its energy to the CAISO Grid, as applicable, under peak load conditions, and identify Area Delivery Network Upgrades (as defined in the CAISO Tariff) and Local Delivery Network Upgrades (as defined in the CAISO Tariff) required to provide the Generating Facility with Full Capacity Deliverability Status. The Area Delivery Network Upgrades and Local Delivery Network Upgrades identified by the On-Peak Deliverability Assessment will be used to establish the maximum cost responsibility consistent with the CAISO Tariff for such upgrades for each Interconnection Customer selecting Full Capacity Deliverability Status. Deliverability of a new Generating Facility will be assessed on the same basis as all other existing resources interconnected to the Distribution System or CAISO Grid.

The On-Peak Deliverability Assessment will identify the Reliability Network Upgrades, Area Delivery Network Upgrades and the Local Delivery Network Upgrades that are required to enable the Generating Facility of each Interconnection Customer requesting Full Capacity Deliverability Status to meet the requirements for deliverability. Deliverability requires that the Generating Facility Capacity, as set forth in the Interconnection Request, can be delivered to the aggregate of Load (as defined in the CAISO Tariff) on the CAISO Grid consistent with reliability criteria, under CAISO Grid peak load and contingency conditions, and assuming the aggregate output of existing Generating Facilities with established Net Qualifying Capacity (as defined in the CAISO Tariff) values and other Generating Facilities in the Interconnection Study Cycle seeking Full Capacity Deliverability Status identified within the On-Peak Deliverability Assessment based on the effect of transmission constraints.

The On-Peak Deliverability Assessment will further include an analysis to estimate the MW of deliverable generation capacity for the individual or Group Study if the highest cost Delivery Network Upgrade component was removed from the preliminary Delivery Network Upgrade plan, or, at the Distribution Provider's and, as applicable, CAISO's sole discretion, if any other identified Delivery Network Upgrade component(s) was removed from the preliminary Delivery Network Upgrade plan. This information is provided to allow Interconnection Customers to address at the Results Meeting potential modifications under Section 4.5.7.2 of this GIP or change the Interconnection Request's Full Capacity Deliverability Status for purposes of financing under Section 4.6.7 of this GIP.

The methodology for the On-Peak Deliverability Assessment will be as set forth in the CAISO Tariff. The On-Peak Deliverability Assessment does not convey any right to deliver electricity to any specific customer or delivery point on the CAISO Grid.

The estimated costs of Delivery Network Upgrades (as defined in the CAISO Tariff) identified in the On-Peak Deliverability Assessment shall be assigned to all Interconnection Requests selecting Full Capacity Deliverability Status based on the flow impact of each such Generating Facility on the Delivery Network Upgrades (as defined in the CAISO Tariff) as determined by the generation distribution factor methodology set forth in the interconnection procedures of the CAISO Tariff.

4.5.4.2.2 The Off-Peak Deliverability Assessment.

An Off-Peak Deliverability Assessment will be performed, in coordination with the CAISO, as applicable, for Interconnection Customers selecting Full Capacity Deliverability Status in their Interconnection Requests to determine Delivery Network Upgrades (as defined in the CAISO Tariff) in addition to those identified in the On-Peak Deliverability Assessment, if any, for a Group Study or individual Phase I Interconnection Study that includes one or more Location Constrained Resource Interconnection Generators ("LCRIG") as defined in the CAISO Tariff, where the fuel source or source of energy for the LCRIG substantially occurs during off-peak conditions. Delivery Network Upgrades (as defined in the CAISO Tariff) will be identified under this Section to ensure that the full maximum MW electrical output of each proposed new LCRIG or the amount of MW increase in the generating capacity of each existing LCRIG as listed by the Interconnection Customer

in its Interconnection Request, whether studied individually or as a Group Study, is deliverable to the aggregate of Load on the CAISO Grid under the Generation dispatch conditions studied. The methodology for the Off-Peak Deliverability Assessment will be published pursuant to the CAISO Tariff.

At the Distribution Provider's and, as applicable, CAISO's discretion, an additional Off-Peak Deliverability Assessment may be performed to estimate the MW of deliverable generation capacity from the LCRIG studied individually or from the Group Study if the highest cost, or any other, Delivery Network Upgrade component were removed from the preliminary Delivery Network Upgrade plan. This information is provided to allow Interconnection Customers to address at the Results Meeting potential modifications under GIP Section 4.5.7.2 or change the Interconnection Request's Full Capacity Deliverability Status for purposes of financing under GIP Section 4.6.7.

The estimated costs of Delivery Network Upgrades (as defined in the CAISO Tariff) identified in the Off-Peak Deliverability Assessment shall be assigned to each Interconnection Request included in the Group Study or studied individually based on the flow impact of each such LCRIG on the Delivery Network Upgrades (as defined in the CAISO Tariff) as determined by the generation distribution factor methodology set forth in the Off-Peak Deliverability Assessment methodology.

4.5.4.3 Distribution Upgrades

The Distribution Provider may perform short circuit analyses and stability analyses, if required, for each Interconnection Request either individually or as part of a Group Study to preliminarily identify the Distribution Upgrades needed to interconnect the Generating Facility to the Distribution System. The Distribution Provider may also perform power flow analyses, under a variety of system conditions, for each Interconnection Request either individually or as part of a Group Study to identify reliability criteria violations on the Distribution System, including applicable thermal overloads, that must be mitigated by Distribution Upgrades.

The estimated costs of Distribution Upgrades identified as a result of an Interconnection Request studied separately shall be assigned solely to that Interconnection Request. The estimated costs of Distribution Upgrades identified through a Group Study shall be assigned to all Interconnection Requests in that Group Study pro rata based on each Interconnection Request's contribution to the need for the upgrade.

4.5.5 Costs Identified in the Phase I Interconnection Study Form the Basis of

Interconnection Financial Security.

The costs assigned to Interconnection Customers for Network Upgrades under this Section 4.5 shall establish the maximum value for the Interconnection Financial Security required from each Interconnection Customer under Section 4.8 of this GIP for such Network Upgrades. In contrast, the costs assigned to Interconnection Customers for Distribution Provider's Interconnection Facilities and Distribution Upgrades under this Section 4.5 are estimates only that establish the basis for the initial Interconnection Financial Security required from each Interconnection Customer under Section 4.8 of this GIP for Distribution Provider's Interconnection Facilities and Distribution Upgrades.

4.5.6 Phase I Interconnection Study Procedures.

The Distribution Provider shall, coordinate the Phase I Interconnection Study with the CAISO, as applicable, and any Affected System Operator that is affected by the Interconnection Request pursuant to Section 6.13 of this GIP. Existing studies shall be used to the extent practicable when conducting the Phase I Interconnection Study. The Distribution Provider will coordinate Base Case development with the CAISO, as applicable, to ensure the Base Cases are accurately developed for the assessment of impacts on the CAISO Grid.

The Distribution Provider shall use Reasonable Efforts to commence the Phase I Interconnection Study by June 1 of each year, and to complete and publish to Interconnection Customers the Phase I Interconnection Study report within two hundred (200) Calendar Days after the commencement of the Phase I Interconnection Study for Queue Cluster 7 and within one hundred-seventy (170) Calendar Days after the annual commencement of the Phase I Interconnection Study beginning with Queue Cluster 6; however, each individual study or Group Studies may be completed prior to this maximum time where practicable based on factors, including, but not limited to: (i) the number of Interconnection Requests in the two associated Cluster Application Windows, (ii) study complexity, and (i) reasonable availability of subcontractors as provided under Section 1.6.3.3 above. The Distribution Provider will share applicable study results with the CAISO and Affected System Operators, if applicable, for review and comment and will incorporate comments into the study report. The Distribution Provider will issue a final Phase I Interconnection Study report to the Interconnection Customer. At the time of completion of the Phase I (CAISO) Interconnection Study, the Distribution Provider may, at the Interconnection Customer's request, determine whether the provisions of GIP Section 4.6.7 apply.

At any time the Distribution Provider determines that it will not meet the required time frame for completing the Phase I Interconnection Study due to the large number of Interconnection Requests in the two associated Cluster Application Windows, study complexity, coordination with the CAISO Tariff GIP study processes, or unavailability of subcontractors on a reasonable basis to perform the study in the required time frame, the Distribution Provider shall notify the Interconnection Customers as to the schedule status of the Phase I Interconnection Study and provide an estimated completion date with an explanation of the

reasons why additional time is required.

Upon request, the Distribution Provider shall provide the Interconnection Customer all supporting documentation, work papers and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases for the Phase I Interconnection Study, subject to confidentiality arrangements consistent with Section 6.5 of this GIP.

4.5.7 Phase I Interconnection Study Results Meeting.

Within thirty (30) Calendar Days of providing the Phase I Interconnection Study report to the Interconnection Customer, the Distribution Provider, the CAISO and/or Affected System Operators, if applicable, and the Interconnection Customer shall hold a Results Meeting to discuss the results of the Phase I Interconnection Study, including assigned cost responsibility.

4.5.7.1 Commercial Operation Date

At the Results Meeting, the Interconnection Customer shall provide a schedule outlining key milestones including environmental survey start date, expected environmental permitting submittal date, expected procurement date of project equipment, back feed date for project construction, and expected project construction date. This will assist the Parties in determining if Commercial Operation Dates are reasonable. If major Distribution Provider's Interconnection Facilities or Distribution Upgrades for the Generating Facility have been identified in the Phase I Interconnection Study, such as telecommunications equipment to support a possible special protection system ("SPS"), distribution feeders to support back feed, new substation, and/or expanded substation work, permitting and material procurement lead times may result in the need to alter the proposed Commercial Operation Date. The Parties may agree to a new Commercial Operation Date. In addition, where an Interconnection Customer intends to establish Commercial Operation separately for different Electric Generating Units or project phases at its Generating Facility, it may only do so in accordance with an implementation plan agreed to in advance by the Distribution Provider and CAISO, if applicable, which agreement shall not be unreasonably withheld. Where the Parties cannot agree, the Commercial Operation Date determined reasonable by the Distribution Provider, in coordination with the CAISO, if applicable, will be used for the Phase II Interconnection Study where the changed Commercial Operation Date is needed to accommodate the anticipated completion, assuming Reasonable Efforts by the Distribution Provider, of necessary Distribution Upgrades, Reliability Network Upgrades and/or Distribution Provider's Interconnection Facilities, pending the outcome of any relief sought by the Interconnection Customer under Section 6.2 of this GIP. The Interconnection Customer must notify the Distribution Provider in writing within five (5) Business Days following the Results Meeting that it is initiating dispute procedures under Section 6.2 of this GIP.

4.5.7.2 Modifications

- 4.5.7.2.1 At any time during the course of the Interconnection Studies, the Interconnection Customer, the Distribution Provider, or the CAISO, as applicable, 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 the Distribution Provider, the CAISO, as applicable, and Interconnection Customer, such acceptance not to be unreasonably withheld, Distribution Provider shall modify the Point of Interconnection and/or configuration in accordance with such changes without altering the Interconnection Request's eligibility for participating in Interconnection Studies.
- 4.5.7.2.2 At the Phase I Interconnection Study Results Meeting, the Interconnection Customer should be prepared to discuss any desired modifications to the Interconnection Request. After the publication of the final Phase I Interconnection Study, but no later than five (5) Business Days following the Phase I Interconnection Study Results Meeting, the Interconnection Customer shall submit to Distribution Provider, in writing, modifications to any information provided in the Interconnection Request. The Distribution Provider will forward the Interconnection Customer's modification to the CAISO, if applicable, within two (2) Business Days of receipt.

Modifications permitted under this Section 4.5.7.2 shall include specifically: (a) a decrease in the electrical output (MW) of the proposed project; (b) modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics; and (c) modifying the interconnection configuration.

For any modification other than those listed in the above paragraph, the Interconnection Customer may first request that Distribution Provider evaluate whether such modification is a Material Modification. In response to Interconnection Customer's request, Distribution Provider, in coordination with the CAISO, if applicable, and any Affected System Operator, if applicable, 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 for that specified by the Distribution Provider in an Interconnection Study or otherwise allowed under this Section 4.5.7.2, shall constitute a Material Modification. Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification. Interconnection Customer may then either:

- (i) withdraw the proposed modification; or
- (ii) withdraw its Interconnection Request and submit a new Interconnection Request during a subsequent Cluster Application Window reflecting such modification.

The Interconnection Customer shall remain eligible for the Phase II Interconnection Study if the modifications are in accordance with this Section 4.5.7.2.

4.5.7.3 Determination of Impact of Modifications Decreasing Generating Capacity Output or Deliverability Status Reductions on Calculation of Initial Financial Security Posting

After receiving from the Interconnection Customer any modification elections involving decreases in electrical output (MW) of the Generating Facility and/or changes (i.e., reductions) in Deliverability Status as permitted in Section 4.6.1 below, the Distribution Provider, in coordination with the CAISO, will determine, based on best engineering judgment, whether such modifications will eliminate the need for any Delivery Network Upgrades identified in the Phase I Interconnection Study report. The Distribution Provider and CAISO will not conduct any re-studies in making this determination. If the Distribution Provider and CAISO should determine that one or more Delivery Network Upgrades identified in the Phase I Interconnection Study are no longer needed, then, solely for purposes of calculating the amount of the Interconnection Customer's initial posting of Interconnection Financial Security under Section 4.8.2 below, such Delivery Network Upgrade(s) will be considered to be removed from the plan of service described in the Interconnection Customer's Phase I Interconnection Study report and the cost estimates for such upgrades shall not be included in the calculation of Interconnection Financial Security in Section 4.8.2 of this GIP. The Distribution Provider will inform in a timely manner any Interconnection Customers so affected, and provide the Interconnection Customers with

written notice of the revised amounts for the initial Interconnection Financial Security posting. No determination under this Section 4.5.7.3 shall affect either (i) the timing for the initial Interconnection Financial Security posting, or (ii) the maximum value for the Interconnection Customer's total cost responsibility for Network Upgrades established by the Phase I Interconnection Study report.

4.5.7.4 Revisions and Addenda to Final Interconnection Study Reports

4.5.7.4.1 Substantial Error or Omissions: Revised Study Report

Should the Distribution Provider discover, through written comments submitted by an Interconnection Customer or otherwise, that a final Phase I or Phase II Interconnection Study report contains a substantial error or omission, the Distribution Provider, in consultation with the CAISO, as applicable, will cause a revised final report to be issued to the Interconnection Customer. A substantial error or omission shall mean an error or omission that results in one or more of the following: (i) understatement or overstatement of the Interconnection Customer's cost responsibility for Network Upgrades by more than five percent (5%) or one million dollars (\$1,000,000.00), whichever is greater; or (ii) results in a delay to the schedule by which the Interconnection Customer can achieve Commercial Operation, based on the results of the final Interconnection Study, by more than one year. A dispute over the plan of service by an Interconnection Customer shall not be considered a substantial error or omission unless the Interconnection Customer demonstrates that the plan of service was based on an invalid or erroneous study assumption that meets the criteria set forth above.

4.5.7.4.2 Other Errors or Omissions: Addendum

If an error or omission in an Interconnection Study report is not a substantial error or omission, the Distribution Provider shall not issue a revised final Interconnection Study report, although the error or omission may result in an adjustment of the corresponding Interconnection Financial Security. Rather, the Distribution Provider shall document such error or omission and make any appropriate correction by issuing an addendum to the final report. The Distribution Provider shall also incorporate, as needed,

any corrected information pertinent to the terms or conditions of the GIA in the draft GIA provided to an Interconnection Customer pursuant to Section 4.9.1 of this GIP.

4.5.7.4.3 Only Substantial Errors or Omissions Adjust Posting Dates

Unless the error or omission is a substantial error resulting in the issuance of a revised final Interconnection Study report, the correction of an error or omission shall not operate to delay any deadline for posting Interconnection Financial Security set forth in Section 4.8 below. In the case of a substantial error or omission resulting in the issuance of a revised final Phase I or Phase II Interconnection Study report, the deadline for posting Interconnection Financial Security shall be extended as set forth in Section 4.8 of this GIP. In addition to issuing a revised final report, the Distribution Provider will promptly notify the Interconnection Customer of any revised posting amount and extended due date occasioned by a substantial error or omission. An Interconnection Customer's dispute of a Distribution Provider determination that an error or omission in a final study report does not constitute substantial error shall not operate to change the amount of Interconnection Financial Security that the Interconnection Customer must post or to postpone the applicable deadline for the Interconnection Customer to post Interconnection Financial Security. In case of such a dispute, the Interconnection Customer shall post the amount of Interconnection Financial Security in accordance with Section 4.8 below, subject to refund in the event that the Interconnection Customer prevails in the dispute.

4.5.8 Reassessment Prior to Phase II Interconnection Studies.

Before undertaking the Phase II Interconnection Studies, the Distribution Provider will conduct a reassessment consistent with the interconnection procedures of the CAISO Tariff to conform the Base Case (as defined in the CAISO Tariff) and Interconnection Base Case Data (as defined in the CAISO Tariff) to account for later conditions since the Phase II Study in the prior Interconnection Study Process.

4.6 Phase II Interconnection Study

4.6.1 Activities in Preparation for Phase II Interconnection Study.

Within ten (10) Business Days following the Phase I Interconnection Study

Results Meeting, the Interconnection Customer shall submit to the Distribution Provider the completed form of Attachment B to Appendix 5 of this GIP (“Data Form To Be Provided by the Interconnection Customer Prior to Commencement of the Phase II Interconnection Study”). Within such Attachment B, the Interconnection Customer shall either: (i) confirm the desired deliverability status that the Interconnection Customer had previously designated in the completed form of Attachment A to Appendix 5 of this GIP (“Assumptions Used in Conducting the Phase I Interconnection Study”); or (ii) change the status of desired deliverability in one of the following ways:

- 4.6.1.1 from Full Capacity Deliverability Status to Energy-Only Deliverability Status;
- 4.6.1.2 from Full Capacity Deliverability Status to Partial Capacity Deliverability Status with a specified MW amount of Full Capacity Deliverability Status;
- 4.6.1.3 from Partial Capacity Deliverability Status to Energy-Only Deliverability Status; or
- 4.6.1.4 reduce Partial Capacity Deliverability Status to a lower MW amount of Full Capacity Deliverability Status.

The Distribution Provider will forward a copy of the completed form of Attachment B to Appendix 5 of this GIP to the CAISO.

4.6.2 Full Capacity or Partial Capacity Deliverability Options for Interconnection Customers Following Queue Cluster.

This Section applies to Interconnection Requests following Queue Cluster 7 for which the Generating Facility Deliverability status is either Full Capacity Deliverability Status or Partial Capacity Deliverability Status. Within Attachment B to Appendix 5 of this GIP, the Interconnection Customer must select one of two options with respect to its Generating Facility: Option (A), which means that the Generating Facility requires TP Deliverability to be able to continue to Commercial Operation. If the Interconnection Customer selects Option (A), then the Interconnection Customer shall be required to make an initial posting of Interconnection Financial Security under Section 4.8.2 of this GIP for the cost responsibility assigned to it in the Phase I Interconnection Study for Reliability Network Upgrades and Local Delivery Network Upgrades, and shall not be required to post Interconnection Financial Security for Area Delivery Network Upgrades; or, Option (B), which means that the Interconnection Customer will assume cost responsibility for Delivery Network Upgrades (both Area Delivery Network Upgrades and Local Delivery Network Upgrades, to the extent applicable) without cash repayment under Section 8.3.1 to this GIP to the extent that sufficient TP Deliverability is not allocated to the Generating Facility to provide its requested amount of Deliverability Status. If the Interconnection Customer selects Option (B), then the Interconnection Customer shall be required

to make an initial posting of Interconnection Financial Security under Section 4.8.2 of this GIP for the cost responsibility assigned to it in the Phase I Interconnection Study for Reliability Network Upgrades, Local Delivery Network Upgrades and Area Delivery Network Upgrades.

4.6.3 Scope of the Phase II Interconnection Study.

The Distribution Provider, in coordination with the CAISO, as applicable, will conduct a Phase II Interconnection Study that will incorporate eligible Interconnection Requests from the previous Phase I Interconnection Study. The Phase II Interconnection Study shall: (i) update, as necessary, analyses performed in the Phase I Interconnection Study to account for the withdrawal of Interconnection Requests or other projects in the interconnection queue; (ii) identify Distribution Upgrades needed to physically interconnect the Generating Facility; (iii) assign cost responsibility for the Distribution Upgrades; (iv) identify final Reliability Network Upgrades (as defined in the CAISO Tariff) needed to physically and reliably interconnect the Generating Facilities and provide final cost estimates; (v) for Queue Clusters following Queue Cluster 5 identify, following coordination with the CAISO's transmission planning process, final Local Delivery Network Upgrades needed to interconnect those Generating Facilities selecting Full Capacity or Partial Capacity Deliverability Status and provide final cost estimates; (vi) for Queue Clusters following Queue Cluster 7, identify final Area Delivery Network Upgrades for those Interconnection Customers selecting Option (B) in accordance with Section 4.6.2 of this GIP and provide revised cost estimates, allocate estimated cost responsibility for financing Delivery Network Upgrades (Area Delivery Network Upgrades and the Local Delivery Network Upgrades) (as defined in the CAISO Tariff) needed to interconnect those Generating Facilities selecting Full Capacity Deliverability Status; (vii) identify for each Interconnection Request final Point of Interconnection and Distribution Provider's Interconnection Facilities; (viii) provide an estimate for each Interconnection Request of the final Distribution Provider's Interconnection Facilities; and (ix) coordinate in-service timing requirements based on operational studies in order to facilitate achievement of the Commercial Operation Dates of the Generating Facilities, as applicable. For Queue Clusters subsequent to Queue Cluster 7, where the cost estimates applicable to the total of the Reliability Network Upgrades and Local Delivery Network Upgrades are based upon the Phase I Interconnection Study (because the cost estimates for the Network Upgrades were lower and so establish maximum cost responsibility under Section 4.6.7.3 below), the Phase II Interconnection Study report shall recite this fact.

With respect to the foregoing items, the Phase II Interconnection Study shall specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the updated Phase II Interconnection Study technical analyses in accordance with Good Utility Practice to physically and electrically connect the Generating Facility to the Distribution System. The Phase II Interconnection Study shall also identify the electrical switching configuration of the connection equipment, including, but not limited

to: (i) the transformer, switchgear, meters, and other station equipment; (ii) the nature and estimated cost of any Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades necessary to accomplish the interconnection; and (iii) an estimate of the time required to complete the construction and installation of such facilities.

4.6.4 Phase II Interconnection Study Procedures.

Distribution Provider shall coordinate the Phase II Interconnection Study, as applicable, with the CAISO and any Affected System Operator that is affected by the Interconnection Request pursuant to Section 6.13 below. Distribution Provider shall utilize existing studies to the extent practicable in conducting the Phase II (CAISO) Interconnection Study. Distribution Provider will coordinate Base Case development with the CAISO, if applicable, to ensure the Base Cases are accurately developed for the assessment of impacts on the CAISO Grid. The Distribution Provider shall use Reasonable Efforts to commence the Phase II Interconnection Study by May 1 of each year and to complete and issue the Phase II Interconnection Study report to Interconnection Customer within two hundred-fifty (255) Calendar Days after the annual commencement of the Phase II Interconnection Study. The Distribution Provider will share the pertinent study results with the CAISO and any Affected System Operator, if applicable, for review and comment, and will incorporate comments into the study report. The Distribution Provider will issue a final Phase II Interconnection Study report to Interconnection Customer.

At the request of Interconnection Customer or at any time Distribution Provider determines that it will not meet the required time frame for completing the Phase II Interconnection Study, Distribution Provider shall notify Interconnection Customer as to the schedule status of the Phase II Interconnection Study and provide an estimated completion date. If the Distribution Provider is unable to complete the Phase II Interconnection Study, such notice shall provide an explanation of the reasons why additional time is required.

Upon request, Distribution Provider shall provide Interconnection Customer all supporting documentation, work papers, and relevant pre-Interconnection Request and post-Interconnection Request power, short circuit and stability databases for the Phase II Interconnection Study, subject to confidentiality arrangements consistent with Section 6.5 of this GIP.

4.6.5 Coordination of the Phase II Interconnection Study with the CAISO's Transmission Planning Process.

The Distribution Provider, in cooperation with the CAISO, if applicable, shall coordinate the analysis of impacts on the CAISO Grid under the Phase II Interconnection Studies with the CAISO's transmission planning process in accordance with the interconnection procedures of the CAISO Tariff.

4.6.6 Cost Responsibility for Distribution Upgrades.

The cost responsibility for Distribution Upgrades identified in the Phase II Interconnection Study of an Interconnection Request studied separately shall be assigned solely to that Interconnection Request. The responsibility to finance Distribution Upgrades identified through a Group Study in the Phase II Interconnection Study shall be assigned to all Interconnection Requests in that Group Study pro rata on the basis of the each Interconnection Request's contribution to the need for the Distribution Upgrade. Notwithstanding the foregoing, each Interconnection Customer will be responsible for its allocated share of the actual costs of Distribution Upgrades as set forth in this Section 4.6.6.

4.6.7 Cost Responsibility for Network Upgrades.

4.6.7.1 Financing of Cost Responsibility for Reliability Network Upgrades

The cost responsibility for final Reliability Network Upgrades (as defined in the CAISO Tariff) identified in the Phase II Interconnection Study shall be assigned in accordance with the interconnection procedures of the CAISO Tariff, as applicable.

4.6.7.2 Cost Responsibility for Delivery Network Upgrades

The cost responsibility for all Delivery Network Upgrades (as defined in the CAISO Tariff) for all Local Delivery Network Upgrades and Area Delivery Network Upgrades for Queue Clusters subsequent to Queue Cluster 7 shall be assigned in accordance with the interconnection procedures of the CAISO Tariff.

4.6.7.3 Costs Identified in the Phase II Interconnection Study Report Form the Basis of the Second and Third Interconnection Financial Security Postings

The Phase II Interconnection Study report shall set forth the applicable cost estimates for the Network Upgrades in accordance with this Section 4.6.7 and shall establish the basis for the second and third Interconnection Financial Security postings required from each Interconnection Customer under Sections 4.8.3 and 4.8.4 as set forth below.

4.6.7.3.1 For Queue Clusters Subsequent to Queue Cluster 7

After the Phase II Interconnection Study report is issued to the Interconnection Customer, the maximum value for Interconnection Financial Security for Reliability Network Upgrades and Local Delivery Network Upgrades shall be established comparing the subtotal cost for Reliability Network Upgrades and Local Delivery Network Upgrades determined in the final Phase I Interconnection Study to the subtotal cost for Reliability Network Upgrades and Local Delivery Network Upgrades determined in the final Phase II Interconnection Study, and utilizing the lower subtotal. The lower subtotal for Reliability Network Upgrades and Local Delivery Network Upgrades shall also establish the Interconnection

Customer's maximum cost responsibility for Reliability Network Upgrades and Local Delivery Network Upgrades after issuance of the Phase II Interconnection Study report. The cost estimate for Area Delivery Network Upgrades set forth in the Phase II Interconnection Study report shall provide the basis for second and third Interconnection Financial Postings for those Interconnection Customers that have selected Option (B). The Area Delivery Network Upgrades cost estimates provided in any Interconnection Study report are estimates only and do not provide a maximum value for cost responsibility to an Interconnection Customer for Area Delivery Network Upgrades. Notwithstanding the foregoing, each Interconnection Customer will be responsible for its allocated share of the actual costs of Area Delivery Network Upgrades as set forth in this Section 4.6.7.3.1.

4.6.8 Financing Network Upgrades that are or were an Obligation of an Entity other than Interconnection Customer.

The Distribution Provider shall be responsible for financing the Network Upgrades, meeting the conditions as specified below, necessary to support the interconnection of the Generating Facility of an Interconnection Customer with a GIA, whenever either:

- 4.6.8.1 the Network Upgrades were included in the Base Case for an Interconnection Study on the basis that they were Network Upgrades associated with Generating Facilities of Interconnection Customers that have an executed GIA (or its equivalent predecessor agreement) or unexecuted GIA (or its equivalent predecessor agreement) filed with FERC, but the Network Upgrades will not otherwise be completed because such GIA or equivalent predecessor agreement was subsequently terminated or the Interconnection Request has otherwise been withdrawn; or
- 4.6.8.2 the Network Upgrades were included in the Base Case for an Interconnection Study on the basis that they were Network Upgrades associated with Generating Facilities of Interconnection Customers that have an executed GIA (or its equivalent predecessor agreement) or unexecuted GIA (or its equivalent predecessor agreement) filed with FERC, but the Network Upgrades will not otherwise be completed in time to support the Interconnection Customer's In-Service Date because construction has not commenced in accordance with the terms of such GIA (or its equivalent predecessor agreement).

The obligation under this Section 4.6.8 arises only after the Distribution Provider, in coordination with the CAISO, as applicable, determines that the Network Upgrades remain needed to support the interconnection of the Interconnection

Customer's Generating Facility notwithstanding, as applicable, the absence or delay of the Generating Facility that is contractually, or was previously contractually, associated with the Network Upgrades.

4.6.9 Interim Energy-Only Interconnection Until Delivery Network Upgrades Are Completed.

If it is determined that the Delivery Network Upgrades cannot be completed by the Interconnection Customer's identified Commercial Operation Date, the Interconnection Study will include interim mitigation measures necessary to allow the Generating Facility to interconnect as an energy-only resource until the Delivery Network Upgrades for the Generating Facility are completed and placed into service, unless interim partial capacity deliverability measures are developed by the CAISO.

4.6.10 Results Meeting with Distribution Provider and CAISO.

Interconnection Customer may, within thirty (30) Calendar Days after receipt of the draft Phase II Interconnection Study report, provide written comments to Distribution Provider, which Distribution Provider shall include in the final report. Distribution Provider shall issue the final Phase II Interconnection 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. Distribution Provider may reasonably extend such fifteen-day period upon notice to Interconnection Customer if Interconnection Customer's comments require Distribution Provider to perform additional analyses or make other significant modifications prior to the issuance of the final Phase II Interconnection Study report. Upon request, Distribution Provider shall provide Interconnection Customer supporting documentation, workpapers, and databases or data developed in the preparation of the Phase II Interconnection Study, subject to confidentiality arrangements consistent with Section 6.5 of this GIP.

Within ten (10) Business Days of providing a draft Phase II Interconnection Study report to Interconnection Customer, Distribution Provider and Interconnection Customer shall meet to discuss the results of the Phase II Interconnection Study.

4.6.11 Re-Evaluation of Distribution Upgrades Following Phase II Study.

If an assessment following the issuance of the final Phase II Interconnection Study is required to re-evaluate an Interconnection Customer's required Distribution Upgrades due to a project withdrawal, Distribution Provider shall so notify the Interconnection Customer in writing. Such re-evaluation shall take no longer than sixty (60) Calendar Days from the date of notice. Any cost of the re-evaluation shall be borne by the Interconnection Customer being re-evaluated.

4.6.12 Re-Evaluation of Network Upgrades Following Phase II Study.

Any re-evaluation of required Network Upgrades following issuance of the Phase II Interconnection Study due to project withdrawals shall be performed in accordance with the procedures set forth in the interconnection procedures of the

CAISO Tariff.

4.6.13 Allocation Process for TP Deliverability for all Queue Clusters Subsequent to Queue Cluster 7.

After the Phase II Interconnection Study reports are issued for Queue Cluster 7 and subsequent Queue Clusters, the TP Deliverability allocation will be performed by the CAISO pursuant to the applicable provisions of the interconnection procedures of the CAISO Tariff. Within two (2) Business Days following the CAISO's issuance of the market notice, the Distribution Provider will notify Interconnection Customer as to the CAISO's timeline for commencement of the allocation activities, for Interconnection Customer submittal of eligibility status and retention information, and anticipated release of allocation results to Interconnection Customer. The Interconnection Customer must submit simultaneously to the Distribution Provider and the CAISO the information required by the relevant section of the interconnection procedures of the CAISO Tariff. Upon receipt from the CAISO of the result of the allocation of TP Deliverability, the Interconnection Customers will have seven (7) Calendar Days to inform the Distribution Provider and the CAISO of its decision. The Distribution Provider shall not be responsible for the results of the CAISO's allocation of TP Deliverability. If the Interconnection Customer disputes the outcome of the CAISO's TP Deliverability allocation, the Interconnection Customer must raise such dispute with the CAISO in accordance with the CAISO Tariff Dispute Resolution procedures. The results of the TP Deliverability allocation will be reflected in the GIA between the Distribution Provider and Interconnection Customer. The Interconnection Customer must demonstrate to the Distribution Provider and the CAISO, in the form required by the CAISO, that it meets the criteria set forth the applicable section of the interconnection procedures of the CAISO Tariff, in order to retain its TP Deliverability allocation.

4.6.13.1 Consequences of Failure to Retain TP Deliverability

An Interconnection Customer's failure to retain its allocation of TP Deliverability shall not be considered a Breach of the GIA. Upon failure of the Interconnection Customer to retain TP Deliverability, the Deliverability status of the Generating Facility corresponding to the Interconnection Request shall convert to Energy-Only Deliverability Status as to that portion of the Generating Facility which has not retained the TP Deliverability.

4.7 Additional Deliverability Assessment Options

4.7.1 Annual Full Capacity Deliverability Option.

Consistent with the interconnection procedures of the CAISO Tariff, Generating Facilities eligible for Deliverability under this Section are: (i) a Generating Facility previously studied as Energy-Only Deliverability Status or which has a GIA under which the Generating Facility has Energy-Only Deliverability Status and such GIA is in good standing at the time of request under this Section; (ii) an Option (A) Generating Facility not allocated TP Deliverability Status and has a

GIA in good standing and desires to seek additional Deliverability with respect to the Energy-Only Deliverability Status portion of the Generating Facility; and (iii) an Option (B) Generating Facility which chose Partial Capacity Deliverability Status and has a GIA in good standing, and desires to seek additional Deliverability with respect to the Energy-Only Deliverability Status portion of the Generating Facility. An eligible Generating Facility will have an option to be studied for Full Capacity Deliverability Status (to determine whether it can be designated for Full Capacity Deliverability Status) or Partial Capacity Deliverability Status, based on available transmission capacity. To be considered in the Annual Full Capacity Deliverability Study, the Interconnection Customer must make a request for such a study within a Cluster Application Window which complies with Section 4.2.1 of this GIP within a Cluster Application Window. The Annual Full Capacity Deliverability Study will be performed by the CAISO pursuant to the interconnection procedures of the CAISO Tariff for Queue Clusters subsequent to Queue Cluster 7. Any Interconnection Customer selecting this option will be studied by the CAISO immediately following the Phase II Interconnection Studies associated with the Cluster Application Window during which the Interconnection Customer submitted the request.

4.7.1.1 Study Costs

The Distribution Provider and the CAISO shall execute any necessary agreements for reimbursement of study costs incurred and to assure cost attribution for any Network Upgrades relating to any deliverability status conferred to such customers.

4.8 Interconnection Financial Security

4.8.1 Types of Interconnection Financial Security.

The Interconnection Financial Security posted by an Interconnection Customer may be any combination of the types of Interconnection Financial Security set forth in Section 3.11.1 of this GIP.

4.8.2 Initial Posting of Interconnection Financial Security.

On or before ninety (90) Calendar Days after publication of the final Phase I Interconnection Study report, Interconnection Customer must post, with notice to the Distribution Provider, two separate Interconnection Financial Security instruments.

4.8.2.1 Initial Posting Amounts for Network Upgrades for a Generating Facility

The Interconnection Customer proposing to interconnect a Generating Facility shall post an Interconnection Financial Security instrument in an amount equal to the lesser of:

- 4.8.2.1.1 fifteen percent (15%) of the total cost responsibility assigned to the Interconnection Customer in the final Phase I Interconnection Study for Network Upgrades;
- or

- 4.8.2.1.2 \$20,000.00 per MW of electrical output of the Generating Facility or the amount of MW increase in the generating capacity of each existing Generating Facility as listed by the Interconnection Customer in its Interconnection Request.

If an Interconnection Customer switches its status from Full Capacity Deliverability Status to Energy-Only Deliverability Status within five (5) Business Days following the Phase I Interconnection Study Results Meeting, as permitted in Section 4.5.7.2 above, the required Interconnection Financial Security for Network Upgrades shall be capped, for purposes of this Section, at an amount no greater than the total cost responsibility assigned to the Interconnection Customer in the Phase I Interconnection Study for Reliability Network Upgrades.

4.8.2.2 Initial Posting Amounts for Distribution Provider's Interconnection Facilities and Distribution Upgrades

Second, the Interconnection Customer shall also post an Interconnection Financial Security instrument in the amount of twenty percent (20%) of the total estimated cost responsibility assigned to the Interconnection Customer in the final Phase I Interconnection Study for Distribution Provider's Interconnection Facilities and Distribution Upgrades.

4.8.2.3 Consequences for Failure to Post Interconnection Financial Security

The failure by an Interconnection Customer to timely post the Interconnection Financial Security required by this Section 4.8.2 shall result in the Interconnection Request being deemed withdrawn and subject to Section 1.10 of this GIP.

The Interconnection Customer shall provide the Distribution Provider with written notice that it has posted the required Interconnection Financial Security no later than the applicable final day for posting.

4.8.2.4 Effect of Decrease in Output on Initial Posting Requirement

If an Interconnection Customer decreases the electrical output of its facility after the completion of the Phase I Interconnection Study, pursuant to Section 4.5.7.2 above, and the Distribution Provider, in consultation with the CAISO, if applicable, is able to reasonably determine, prior to the date for initial posting of Interconnection Financial Security, that as a result of such decrease (solely or in combination with other modifications made by Interconnection Customers in the same Group Study) some of the Network Upgrades, Distribution Upgrades, and/or Distribution Provider's Interconnection Facilities identified in the Phase I Interconnection Study will no longer be required, then the calculation of the initial posting of Interconnection Financial Security will not include those Network Upgrades, Distribution Upgrades, and/or Distribution Provider's

Interconnection Facilities. Such determination will be made based on the Distribution Provider's best engineering judgment and will not include any re-studies.

4.8.3 Second Posting of Interconnection Financial Security.

On or before one hundred eighty (180) Calendar Days after publication of the final Phase II Interconnection Study report, the Interconnection Customer shall post two separate Interconnection Financial Security instruments.

4.8.3.1 Second Posting of Interconnection Financial Security Amounts for Network Upgrades for a Generating Facility

The Interconnection Customer proposing to interconnect a Generating Facility shall post an Interconnection Financial Security instrument such that the total Interconnection Financial Security posted by the Interconnection Customer for Network Upgrades equals the lesser of:

4.8.3.1.1 \$1 million; or

4.8.3.1.2 thirty percent (30%) of the total cost responsibility assigned to the Interconnection Customer for Network Upgrades in either the final Phase I Interconnection Study or final Phase II Interconnection Study, whichever is lower.

4.8.3.2 Second Posting Amounts for Distribution Provider's Interconnection Facilities and Distribution Upgrades for a Generating Facility

The Interconnection Customer shall also post an Interconnection Financial Security instrument such that the total Interconnection Financial Security posted by the Interconnection Customer for Distribution Provider's Interconnection Facilities and Distribution Upgrades equals thirty percent (30%) of the total cost responsibility assigned to the Interconnection Customer in the final Phase II Interconnection Study for Distribution Provider's Interconnection Facilities and Distribution Upgrades.

If the start date for Construction Activities of Network Upgrades, Distribution Provider's Interconnection Facilities and Distribution Upgrades on behalf of the Interconnection Customer is prior to one hundred eighty (180) Calendar Days after publication of the final Phase II Interconnection Study report, that start date must be set forth in the Interconnection Customer's GIA and the Interconnection Customer shall make its second posting of Interconnection Financial Security pursuant to Section 4.8.4 below rather than this Section 4.8.3.

4.8.3.3 Consequences of Failure to Post Interconnection Financial Security

The failure by an Interconnection Customer to timely post the

Interconnection Financial Security required by this Section 4.8.3 shall result in the Interconnection Request being deemed withdrawn and subject to Section 1.10 of this GIP or, if applicable, shall constitute grounds for termination of the GIA pursuant to Article 3.3 of the Small Generator Interconnection Agreement (Attachment E to WDAT) and Article 17 of the Large Generator Interconnection Agreement (Attachment F to WDAT).

4.8.4 Third Posting of Interconnection Financial Security.

On or before the start of Construction Activities for Network Upgrades or Distribution Provider's Interconnection Facilities or Distribution Upgrades on behalf of the Interconnection Customer, whichever is earlier, the Interconnection Customer shall modify the two separate Interconnection Financial Security instruments posted pursuant to this GIP Section 4.8.3 as follows:

4.8.4.1 Third Posting Amounts for Network Upgrades for a Generating Facility

With respect to the Interconnection Financial Security instrument for Network Upgrades, the Interconnection Customer shall modify this instrument so that it equals one hundred percent (100%) of the total cost responsibility assigned to the Interconnection Customer for Network Upgrades in either the final Phase I Interconnection Study or Phase II Interconnection Study, whichever is lower.

4.8.4.2 Third Posting Amounts for Distribution Provider's Interconnection Facilities and Distribution Upgrades for a Generating Facility

With respect to the Interconnection Financial Security instrument for Distribution Provider's Interconnection Facilities or Distribution Upgrades, the Interconnection Customer shall modify this instrument so that it equals one hundred percent (100%) of the total cost responsibility assigned to the Interconnection Customer for Distribution Provider's Interconnection Facilities in the final Phase II Interconnection Study.

The failure by an Interconnection Customer to timely post the Interconnection Financial Security required by GIP Section 4.8.4 shall constitute grounds for termination of the GIA pursuant to Article 3.3 of the Small Generator Interconnection Agreement (Attachment E to WDAT) and Article 17 of the Large Generator Interconnection Agreement (Attachment F to WDAT).

4.8.5 General Effect of Withdrawal of Interconnection Request or Termination of the GIA on Interconnection Financial Security.

Except as set forth in Section 4.8.5.1 below, withdrawal of an Interconnection Request or termination of a GIA shall allow the Distribution Provider to liquidate the Interconnection Financial Security, or balance thereof, posted by the Interconnection Customer for Network Upgrades at the time of withdrawal. To

the extent the amount of the liquidated Interconnection Financial Security plus capital, if any, separately provided by the Interconnection Customer to satisfy its obligation to finance Network Upgrades exceeds the total cost responsibility for Network Upgrades assigned to the Interconnection Customer by the final Phase I or Phase II Interconnection Study, whichever is lower, the Distribution Provider shall remit to the Interconnection Customer the excess amount.

Withdrawal of an Interconnection Request or termination of a GIA shall result in the release to the Interconnection Customer of any Interconnection Financial Security posted by the Interconnection Customer for Distribution Provider's Interconnection Facilities and Distribution Upgrades, except with respect to any amounts necessary to pay for costs incurred or irrevocably committed by the Distribution Provider on behalf of the Interconnection Customer for the Distribution Provider's Interconnection Facilities and Distribution Upgrades and for which the Distribution Provider has not been reimbursed.

4.8.5.1 Conditions for Partial Recovery of Interconnection Financial Security upon Withdrawal of Interconnection Request or Termination of GIA

A portion of the Interconnection Financial Security shall be released to the Interconnection Customer, consistent with Section 4.8.5.2 below, if the withdrawal of the Interconnection Request or termination of the GIA occurs for any of the following reasons:

4.8.5.1.1 Failure to Secure a Power Purchase Agreement

At the time of withdrawal of the Interconnection Request or termination of the GIA, the Interconnection Customer demonstrates to the Distribution Provider that it has failed to secure an acceptable power purchase agreement for the energy or capacity of the Generating Facility after a good faith effort to do so. A good faith effort can be established by demonstrating participation in a competitive solicitation process or bilateral negotiations with an entity other than an Affiliate that progressed, at minimum, to the mutual exchange by all counter-parties of proposed term sheets.

4.8.5.1.2 Failure to Secure a Necessary Permit

At the time of withdrawal of the Interconnection Request or termination of the GIA, the Interconnection Customer demonstrates to the Distribution Provider that it has received a final denial from the primary issuing Governmental Authority of any permit or other authorization necessary for the construction or operation of the Generating Facility.

4.8.5.1.3 Increase in the Cost of Distribution Provider's

Interconnection Facilities or Distribution Upgrades

The Interconnection Customer withdraws the Interconnection Request or terminates the GIA based on an increase of:

- (i) more than 30% or \$300,000.00, whichever is greater, in the estimated cost of Distribution Provider's Interconnection Facilities; or
- (ii) more than 30% or \$300,000.00, whichever is greater, in the estimated cost of Distribution Upgrades allocated to the Interconnection Customer from the Phase I Interconnection Study to the Phase II Interconnection Study.

This Section 4.8.5.1.3 shall not apply if the cause of the cost increase under Sections 4.8.5.1.1 or 4.8.5.1.2 above is the result of a change requested by the Interconnection Customer pursuant to Section 4.5.7.2 of this GIP.

4.8.5.1.4 Material Change in Interconnection Customer's Interconnection Facilities Created by the Distribution Provider's Change in the Point of Interconnection

The Interconnection Customer withdraws the Interconnection Request or terminates the GIA based on a material change from the Phase I Interconnection Study in the Point of Interconnection for the Generating Facility mandated by the Distribution Provider and included in the final Phase II Interconnection Study. A material change in the Point of Interconnection shall be where the Point of Interconnection has moved to:

- (i) a different substation;
- (ii) a different line on a different right of way; or
- (iii) a materially different location than previously identified on the same line.

4.8.5.2 Schedule for Determining Non-Refundable Portion of the Interconnection Financial Security for Network Upgrades

4.8.5.2.1 Up to One Hundred Eighty (180) Days after Final Phase II Interconnection Study Report

If, at any time after the initial posting of the Interconnection Financial Security for Network Upgrades under Section 4.8.2 above and on or before one hundred eighty (180) Calendar Days after the date of issuance of the final Phase II Interconnection

Study report, the Interconnection Customer withdraws the Interconnection Request or terminates the GIA, as applicable, in accordance with Section 4.8.5.1 above, the Distribution Provider shall liquidate the Interconnection Financial Security for Network Upgrades under Section 4.8.2 of this GIP and reimburse the Interconnection Customer in an amount of:

- (i) any posted amount less fifty percent (50%) of the value of the posted Interconnection Financial Security for Network Upgrades (with a maximum of \$10,000.00 per requested and approved MW value of the Generating Facility Capacity at the time of withdrawal being retained by the Distribution Provider); or
- (ii) if the Interconnection Financial Security has been drawn down to finance Pre-Construction Activities for Network Upgrades on behalf of the Interconnection Customer, the lesser of the remaining balance of the Interconnection Financial Security or the amount calculated under (i) above.

If the Interconnection Customer has separately provided capital apart from the Interconnection Financial Security to finance Pre-Construction Activities for Network Upgrades, the Distribution Provider will credit the capital provided as if drawn from the Interconnection Financial Security and apply (ii) above.

4.8.5.2.2 Withdrawal Between the Second Posting and the Commencement of Construction Activities

If the Interconnection Customer either withdraws its Interconnection Request or terminates its GIA under any of the applicable conditions of Section 4.8.5.1 above and at any time between the initial posting and the deadline for the second posting of the Interconnection Financial Security for applicable Network Upgrades, the Distribution Provider shall liquidate the Interconnection Financial Security for the applicable Network Upgrades under Section 4.8.2 of this GIP the lesser of: (a) the Interconnection Financial Security plus any other provided security plus any separately provided capital less all costs and expenses incurred or irrevocably committed to finance Pre-Construction Activities for Network Upgrades on behalf of the Interconnection Customer; or (b) the Interconnection Financial Security plus any other provided security plus any separately provided capital minus the any the lesser of fifty percent (50%) of the value of the posted Interconnection Financial Security for Network Upgrades; or (c)

\$10,000.00 per requested and approved MW value of the Generating Facility Capacity at the time of withdrawal.

4.8.5.2.3 Special Treatment Based on Failure to Obtain Necessary Permit or Authorization from Governmental Authority

If, at any time after the posting requirement under Section 4.8.3 above, the Interconnection Customer withdraws the Interconnection Request or terminates the GIA, as applicable, in accordance with Section 4.8.5.1.2 above, and the Delivery Network Upgrades to be financed by the Interconnection Customer under Section 4.6.7 of this GIP are also to be financed by one or more other Interconnection Customers, then Section 4.8.5.2.1 above shall apply, except that the Interconnection Customer shall not be reimbursed for its share of any actual costs incurred or irrevocably committed by the Distribution Provider for Construction Activities.

4.8.5.2.4 After Commencement of Construction Activities

Except as otherwise provided in Section 4.8.5.2.3 above, once Construction Activities on Network Upgrades on behalf of the Interconnection Customer commence, any withdrawal of the Interconnection Request or termination of the GIA by the Interconnection Customer will be treated in accordance with this Section 4.8.5.

4.8.5.2.5 Notification to CAISO and Accounting by Distribution Provider

The Distribution Provider will notify the CAISO, as applicable, within three (3) Business Days of liquidating any Interconnection Financial Security. Within thirty (30) Calendar Days of any liquidating event, the Distribution Provider will provide the CAISO and Interconnection Customer with an accounting of the disposition of the proceeds of the liquidated Interconnection Financial Security and remit to the CAISO all proceeds not otherwise reimbursed to the Interconnection Customer or applied to costs incurred or irrevocably committed by the Distribution Provider on behalf of the Interconnection Customer in accordance with this Section 4.8.5. All non-refundable portions of the Interconnection Financial Security remitted to the CAISO in accordance with this Section 4.8.5 shall be treated in accordance with CAISO Tariff Section 37.9.4.

4.8.5.3 Adjusting Network Upgrade Postings Following Reassessment

Process

For Interconnection Customers in Queue Clusters 6 or subsequent Queue Clusters having selected Option (B), the most recent reassessment conducted under the applicable provision of the interconnection procedures of the CAISO Tariff in any Interconnection Study Cycle following the Interconnection Customer's receipt of its Phase II Interconnection Study report shall provide the most recent cost estimates for the Interconnection Customer's Area Delivery Network Upgrades, and the Interconnection Customer shall adjust its Interconnection Financial Security for Network Upgrades to correspond to the most recent estimate for Area Delivery Network Upgrades.

4.9. Generator Interconnection Agreement

4.9.1 Tender

Within thirty (30) Calendar Days after the Distribution Provider provides the final Phase II Interconnection Study report to the Interconnection Customer, the Distribution Provider shall tender a draft GIA, together with draft appendices. The draft GIA shall be in the form of Distribution Provider's FERC-approved form GIAs, which are in Attachments E (SGIA) and G (LGIA) to the Tariff. The Interconnection Customer shall provide written comments, or notification of no comments, to the draft appendices within thirty (30) Calendar Days.

4.9.2 Negotiation

Notwithstanding Section 4.9.1 above, at the request of Interconnection Customer, Distribution Provider shall begin negotiations with Interconnection Customer concerning the appendices to the GIA at any time after the Distribution Provider provides the Interconnection Customer with the final Phase II Interconnection Study report. Distribution Provider and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft GIA for not more than ninety (90) Calendar Days after the Distribution Provider provides the Interconnection Customer with the final Phase II Interconnection Study report. If Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft GIA pursuant to Section 4.9.1 above and request submission of the unexecuted GIA with FERC or initiate Dispute Resolution procedures pursuant to Section 6.2 of this GIP. If Interconnection Customer requests termination of the negotiations, but within ninety (90) Calendar Days after issuance of the final Phase II Interconnection Study report, fails to request either the filing of the unexecuted GIA or initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if Interconnection Customer has not executed the GIA, requested filing of an unexecuted GIA, or initiated Dispute Resolution procedures pursuant to Section 6.2 of this GIP, within ninety (90) Calendar Days after issuance of the final Phase II Interconnection Study report, it shall be deemed to have withdrawn its Interconnection Request. Distribution Provider shall provide to Interconnection Customer a final GIA within fifteen (15) Business Days after the completion of

the negotiation process.

Execution of the GIA and the filing of the GIA at FERC are addressed in Section 6.8 below.

SECTION 5. Under 10 kW Inverter Process

5.1 Applicability of Under 10 kW Inverter Process

The Under 10 kW Inverter Process is available to an Interconnection Customer proposing to interconnect its Generating Facility with the Distribution Provider's Distribution System if the Generating Facility is a certified inverter-based Generating Facility no larger than 10 kW. The form of Interconnection Request and the process for evaluating a request to interconnect such a Generating Facility are set forth in Appendix 6 to this GIP.

5.2 Timing For Submitting Interconnection Requests

An Interconnection Customer may submit an Interconnection Request for processing under the Under 10 kW Inverter Process at any time during the year.

SECTION 6. Provisions that Apply to All Interconnection Requests

6.1 Reasonable Efforts

The Distribution Provider shall make reasonable efforts to meet all time frames provided in these procedures, including the payment of refunds, unless the Distribution Provider and the Interconnection Customer agree to a different schedule. If the Distribution Provider cannot meet a deadline or timeline provided herein, it shall notify the Interconnection Customer, explain the reason for the failure to meet the deadline, and provide an estimated time by which it will complete the applicable interconnection procedure in the process

6.1.1 Notice.

Any notice or request required or permitted to be given by either Party to the other and not required by this GIP to be given in writing may be so given by facsimile or e-mail.

6.2 Disputes

In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with this GIP 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 resolved in accordance with the Dispute Resolution Procedures set forth in Section 9 of the Tariff.

6.3 Interconnection Metering

Any metering necessitated by the use of the Generating Facility shall be installed at the Interconnection Customer's expense in accordance with FERC, state, or local regulatory requirements, the CAISO Tariff or the Distribution Provider's specifications.

6.4 Commissioning

Commissioning tests of the Interconnection Customer's installed equipment shall be performed pursuant to applicable codes and standards. The Distribution Provider must be

given at least five (5) Business Days written notice, or as otherwise mutually agreed to by the Parties, of the tests and may be present to witness the commissioning tests.

6.5 Confidentiality

6.5.1 **Confidential Information and/or proprietary information provided by one Party to the other Party should be clearly marked or otherwise designated “Confidential.”** For purposes of this GIP all design, operating specifications, and metering data provided by the Interconnection Customer shall be deemed Confidential Information regardless of whether it is clearly marked or otherwise designated as such.

6.5.2 **Confidential Information does not include information previously in the public domain, required to be publicly submitted or divulged by Governmental Authorities (after notice to the other Party and after exhausting any opportunity to oppose such publication or release), or necessary to be divulged in an action to enforce this GIP.** Each Party receiving Confidential Information shall hold such information in confidence and shall not disclose it to any third party nor to the public without the prior written authorization from the Party providing that information, except to fulfill obligations under this GIP, or to fulfill legal or regulatory requirements.

6.5.2.1 Each Party shall employ at least the same standard of care to protect Confidential Information obtained from the other Party as it employs to protect its own Confidential Information.

6.5.2.2 Each Party is entitled to equitable relief, by injunction or otherwise, to enforce its rights under this provision to prevent the release of Confidential Information without bond or proof of damages, and may seek other remedies available at law or in equity for breach of this provision.

6.5.3 **Notwithstanding anything in this article to the contrary, and pursuant to 18 CFR § 1 b.20, if FERC, 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 GIP, the Party shall provide the requested information to FERC, within the time provided for in the request for information.** In providing the information to FERC, the Party may, consistent with 18 CFR § 388.112, request that the information be treated as confidential and non-public by FERC and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Party to this GIP prior to the release of the

Confidential Information to FERC. The Party shall notify the other Party to this GIP when it is notified by FERC that a request to release Confidential Information has been received from FERC, at which time either of the Parties may respond before such information would be made public, pursuant to 18 CFR § 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations.

6.6 Comparability

The Distribution Provider shall receive, process and analyze all Interconnection Requests in a timely manner as set forth in this GIP. The Distribution Provider shall use the same reasonable efforts in processing and analyzing Interconnection Requests from all Interconnection Customers, whether the Generating Facility is owned or operated by the Distribution Provider, its subsidiaries or Affiliates, or others.

6.7 Record Retention

The Distribution Provider shall maintain for three (3) years records, subject to audit, of all Interconnection Requests received under this GIP, the times required to complete Interconnection Request approvals and disapprovals, and justification for the actions taken on the Interconnection Requests.

6.8 Generator Interconnection Agreement

This Section applies to all Interconnection Requests except as described in Section 2 above (Fast Track Process).

6.8.1 Tender.

The Distribution Provider shall tender a draft GIA, together with draft appendices, within thirty (30) Calendar Days of the following: (i) after the Distribution Provider provides the final Interconnection Facilities Study report (or Interconnection Facilities Study Results Meeting if held); or (ii) after the Distribution Provider provides the final Interconnection System Impact Study report (or Interconnection System Impact Study Results Meeting if held) if the Interconnection Facilities Study is waived; or (iii) after the Distribution Provider provides the final Phase II Study report (or Phase II Study Results Meeting if held).

The Distribution Provider shall tender a draft GIA, together with draft appendices. The draft GIA shall be in the form of Distribution Provider's FERC-approved form GIAs, which are in Attachments E (SGIA) and G (LGIA) to the Tariff. The Interconnection Customer shall provide written comments, or notification of no comments, to the draft appendices within thirty (30) Calendar Days.

6.8.1.1 Rule 21 Interconnection Requests and One-Time Election of WDAT GIA

Interconnection Customers with Interconnection Requests originally submitted under Rule 21 may elect a Wholesale Distribution Open Access

Tariff (“WDAT”) GIA by notifying the Distribution Provider in writing after completion of the study process but no later than seven (7) Calendar Days after completion of the ninety (90) Calendar Day negotiation period pursuant to Rule 21, Section F.2.e or Rule 21, Section F.3.e, or after notice period pursuant to Rule 21, Section 3.3.3 of the Fast Track Interconnection Agreement (Form 117-2160) or applicable study agreement under the Rule 21 detailed study interconnection review process. On the date the WDAT GIA is executed by the Interconnection Customer and Distribution Provider, jurisdiction over the Interconnection Service reverts to the FERC, except as otherwise provided in the WDAT GIA.

6.8.1.2 Rule 21 Interconnection Requests under the Transmission Cluster Study Process

Interconnection Requests originally submitted under Rule 21 that fail Rule 21, Section G.3.a (Screen Q) or elect to be studied under the Transmission Cluster Study Process must file an Interconnection Request under the WDAT Cluster Study Process pursuant to Rule 21, Section F.3.c. Upon completion of the Cluster Study Process, an eligible Interconnection Customer may make a one-time election to opt for a Rule 21 GIA by notifying the Distribution Provider in writing no later than seven (7) Calendar Days after the Distribution Provider provides the final Phase II Interconnection Study report to the Interconnection Customer. The draft Rule 21 GIA shall be in the form of Distribution Provider’s CPUC approved form Rule 21 GIA. On the date the Rule 21 GIA is executed by the Interconnection Customer and Distribution Provider, jurisdiction over the Interconnection Service reverts to the CPUC, except as otherwise provided in the Rule 21 GIA.

6.8.2 Negotiation.

Notwithstanding Section 6.8.1 above, at the request of Interconnection Customer, Distribution Provider shall begin negotiations with Interconnection Customer concerning the appendices to the GIA at any time after the Distribution Provider provides the Interconnection Customer with the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived) or Phase II Study report. Distribution Provider and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft GIA for not more than ninety (90) Calendar Days after the Distribution Provider provides the Interconnection Customer with the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived) or Phase II Study report. If Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft GIA pursuant to Section 6.8.1 above, and request submission of the unexecuted GIA with FERC or initiate Dispute Resolution procedures pursuant to Section 6.2 of this GIP. If Interconnection Customer requests termination of the negotiations, but within

ninety (90) Calendar Days after issuance of the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived) or Phase II Study report, fails to request either the filing of the unexecuted GIA or initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if Interconnection Customer has not executed the GIA, requested filing of an unexecuted GIA, or initiated Dispute Resolution procedures pursuant to Section 6.2 of this GIP within ninety (90) Calendar Days after issuance of the final Interconnection Facilities Study report (or final Interconnection System Impact Study report if the Interconnection Facilities Study is waived) or Phase II Study report, it shall be deemed to have withdrawn its Interconnection Request.

6.8.3 Execution and Filing.

Interconnection Customer shall either: (i) execute two originals of the tendered GIA and return them to Distribution Provider; or (ii) request in writing that Distribution Provider file with FERC a GIA in unexecuted form. As soon as practicable, Distribution Provider shall file the GIA with FERC, together with its explanation of any matters as to which Interconnection Customer and Distribution Provider disagree and support for the costs that Distribution Provider proposes to charge to Interconnection Customer under the GIA. An unexecuted GIA should contain terms and conditions deemed appropriate by Distribution Provider for the Interconnection Request. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed upon terms of the unexecuted GIA, they may proceed pending FERC action.

6.9 Commencement of Interconnection Activities

If Interconnection Customer executes the final GIA, Distribution Provider and Interconnection Customer shall perform their respective obligations in accordance with the terms of the GIA, subject to modification by FERC. Upon submission of an unexecuted GIA, Interconnection Customer and Distribution Provider shall promptly comply with the unexecuted GIA, subject to modification by FERC.

6.10 Interconnection Customer To Meet Requirements of the Distribution Provider's Interconnection Handbook

The Interconnection Customer's Interconnection Facilities shall be designed, constructed, operated and maintained in accordance with the Distribution Provider's Interconnection Handbook. In the event of a conflict between the terms of the GIP and the terms of the Distribution Provider's Interconnection Handbook, the terms in the GIP shall govern.

6.11 Internet Posting

Distribution Provider will maintain on its website a list of all Interconnection Requests. The list will identify, for each Interconnection Request: (i) the maximum summer and winter MW electrical output; (ii) the location by county and state; (iii) the area, station, or transmission line or lines where the interconnection will be made; (iv) the most recent Commercial Operation Date requested by the Interconnection Customer; (v) the status of the Interconnection Request, including whether it is active or withdrawn; (vi) the

availability of any studies related to the Interconnection Request; (vii) the date of the Interconnection Request; (viii) the type of Generating Facility to be constructed (e.g., combined cycle, combustion turbine, wind turbine, and fuel type); and (ix) the requested Deliverability Status.

Except in the case of an Affiliate, the list will not disclose the identity of Interconnection Customer until Interconnection Customer executes a GIA or requests that Distribution Provider file an unexecuted GIA with FERC. Before holding a Scoping Meeting with its Affiliate, Distribution Provider shall post on its website an advance notice of its intent to do so.

Distribution Provider shall post to its website any deviations from the study timelines set forth herein. The Distribution Provider shall also post to its website non-confidential portions of the Phase I Interconnection Study or the Interconnection System Impact Study, as applicable, following the final Results Meeting or thirty (30) Calendar Days after the completion of such study if the Results Meeting is waived, and non-confidential portions of the Phase II Interconnection Study or the Interconnection Facilities Study, as applicable, no later than publication of the CAISO's final transmission plan.

6.12 Record Retention

The Distribution Provider shall maintain for three (3) years records, subject to audit, of all Interconnection Requests received under these procedures, the times required to complete Interconnection Request approvals and disapprovals, and justification for the actions taken on the Interconnection Requests.

6.13 Coordination with Affected Systems

The Distribution Provider shall 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 these procedures. The Distribution Provider will include such Affected System Operators in all meetings held with the Interconnection Customer as required by this GIP. The Interconnection Customer will cooperate with the Distribution 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(s) shall cooperate with the Distribution Provider with whom interconnection has been requested in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

6.14 Proposed Commercial Operation Date

The proposed Commercial Operation Date of the new Generating Facility or increase in capacity of the existing Generating Facility shall not exceed seven (7) years from the date the Interconnection Request is received by Distribution Provider, unless Interconnection Customer demonstrates and the Distribution Provider agrees, such agreement not to be unreasonably withheld, that engineering, permitting and construction of the new Generating Facility or increase in capacity of the existing Generating Facility will take longer than the seven (7) year period. For Interconnection Requests in Queue Cluster 7

and subsequent Queue Clusters, the Distribution Provider's agreement to an extension of the proposed Commercial Operation Date does not relieve the Interconnection Customer from compliance with the requirements of any of the criteria in Section 4.6.13.1 of this GIP for retention of TP Deliverability.

6.15 Local Furnishing Bonds

6.15.1 Distribution Providers That Own Facilities Financed by Local Furnishing Bonds.

This Section is applicable only to a Distribution Provider that has financed facilities for the local furnishing of electric energy with tax-exempt bonds, as described in Section 142(f) of the Internal Revenue Code ("local furnishing bonds"). Notwithstanding any other provision of the GIA and GIP, Distribution Provider shall not be required to provide Interconnection Service to Interconnection Customer pursuant to the GIA and this GIP if the provision of such Distribution Service would jeopardize the tax-exempt status of any local furnishing bond(s) used to finance Distribution Provider's facilities that would be used in providing such Interconnection Service.

6.15.2 Alternative Procedures for Requesting Interconnection Service.

Distribution 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.

6.16 Capacity of the Generating Facility

6.16.1 If the Interconnection Request is for an increase in capacity for an existing Generating Facility, the Interconnection Request shall be evaluated on the basis of the new total capacity of the Generating Facility.

6.16.2 If the Interconnection Request is for a Generating Facility that includes multiple energy production devices at a site for which the Interconnection Customer seeks a single Point of Interconnection, the Interconnection Request shall be evaluated on the basis of the aggregate capacity of the multiple devices.

6.16.3 The Interconnection Request shall be evaluated using the maximum capacity that the Generating Facility is capable of injecting into the Distribution Provider's electric system. However, if the maximum capacity that the Generating Facility is capable of injecting into the Distribution Provider's electric system is limited (e.g., through use of a control system, power relay(s), or other similar device settings or adjustments), then the Interconnection Customer must obtain the Distribution Provider's agreement, with such agreement not to be unreasonably withheld, that the manner in which the Interconnection Customer proposes to implement such a limit will not adversely affect the

safety and reliability of the Distribution Provider's system. If the Distribution Provider does not so agree, then the Interconnection Request must be withdrawn or revised to specify the maximum capacity that the Generating Facility is capable of injecting into the Distribution Provider's electric system without such limitations. Furthermore, nothing in this section shall prevent a Distribution Provider from considering an output higher than the limited output, if appropriate, when evaluating system protection impacts.

SECTION 7. General Provisions for the Engineering & Procurement ("E&P") Agreement
Prior to executing a GIA, an Interconnection Customer may, in order to advance the implementation of its interconnection, request and Distribution Provider shall offer the Interconnection Customer, an E&P Agreement that authorizes Distribution Provider to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection. However, Distribution 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 this GIP. The E&P Agreement is an optional procedure. 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, Distribution Provider may elect: (i) to take title to the equipment, in which event Distribution 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.

SECTION 8. General Provisions Concerning Construction of Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades.
General Provisions Concerning Funding of Network Upgrades

This Section 8 shall apply, as pertinent, to Interconnection Requests processed under the Cluster Study Process, the Independent Study Process, the Fast Track Process, or the Under 10 kW Inverter Process.

8.1 Schedule

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

8.2 Construction Sequencing

8.2.1 General.

In general, the sequence of construction of Distribution Upgrades, Stand Alone Network Upgrades or other Network Upgrades for a single Interconnection Request, or Distribution Upgrades or Network Upgrades identified for the interconnection of Generating Facilities associated with multiple Interconnection Requests, shall be determined, to the maximum extent practical, in a manner that accommodates the proposed Commercial Operation Date set forth in the GIA of the Interconnection Customer(s) associated with the Distribution Upgrades, Stand Alone Network Upgrades or other Network Upgrades.

8.2.2 Construction of Network Upgrades that are or were an Obligation of an Entity other than Interconnection Customer.

The Distribution Provider shall be responsible for constructing any Network Upgrades necessary to support the interconnection of the Generating Facility of an Interconnection Customer with a GIA whenever the Network Upgrades were included in the interconnection Base Case data for a Phase II Interconnection Study on the basis that they were Network Upgrades associated with Generating Facilities of Interconnection Customers that have an executed and effective GIA (or its equivalent predecessor agreement) or unexecuted GIA (or its equivalent predecessor agreement) filed with FERC, and such GIA specifies that the Distribution Provider would finance and construct the Network Upgrades, and either:

- 8.2.2.1 the Network Upgrades will not otherwise be completed because such GIA or equivalent predecessor agreement was subsequently terminated or the Interconnection Request has otherwise been withdrawn; or
- 8.2.2.2 the Network Upgrades will not otherwise be completed in time to support the Interconnection Customer's In-Service Date because construction has not commenced in accordance with the terms of such GIA (or its equivalent predecessor agreement); and
- 8.2.2.3 the Distribution Provider, in coordination with the CAISO, determines that the Network Upgrades remain needed to support the interconnection of the Interconnection Customer's Generating Facility notwithstanding, as applicable, the absence or delay of the Generating Facility that is contractually, or was previously contractually, associated with the Network Upgrades.

Where the Distribution Provider is constructing Area Delivery Network Upgrades for Option (B) Interconnection Customers and either: Sections 8.2.2.1 or 8.2.2.2 above occurs, the Distribution Provider shall continue to construct such Area Delivery Network Upgrades with financing provided from the Interconnection Financial Security of those Option (B) Interconnection Customers' in the same Group Study, with any additional financing requirements to be reapportioned among those remaining Option (B) Interconnection Customers in the same Group

Study who still need the Area Delivery Network Upgrades to achieve Full Capacity Deliverability Status or Partial Capacity Deliverability Status. In no case will the Distribution Provider become financially responsible for Area Delivery Network Upgrades required for Option (B) Interconnection Customers.

Further, to the extent the timing of such Network Upgrades was not accounted for in determining a reasonable Commercial Operation Date among the Distribution Provider, CAISO, and the Interconnection Customer as part of the Phase II Interconnection Studies, the Distribution Provider will use Reasonable Efforts to ensure that the construction of such Network Upgrades can accommodate the Interconnection Customer's proposed Commercial Operation Date. If, despite Reasonable Efforts, it is anticipated that the Network Upgrades cannot be constructed in time to accommodate the Interconnection Customer's proposed Commercial Operation Date, the Interconnection Customer may commit to pay the Distribution Provider any costs associated with expediting construction of the Network Upgrades to meet the original proposed Commercial Operation Date. The expediting costs under this Section 8.2.2 shall be in addition to the Interconnection Customer's cost responsibility assigned under the applicable Interconnection Studies.

8.2.3 Advancing Construction of Distribution Upgrades and Network Upgrades that are Part of an Expansion Plan of the Distribution Provider.

An Interconnection Customer with a GIA, in order to maintain its In-Service Date, may request that Distribution Provider advance to the extent necessary the completion of Distribution Upgrades and 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 Distribution Provider or approved CAISO transmission plan covering the Distribution Provider's service territory, in time to support such In-Service Date. Upon such request, Distribution Provider will use Reasonable Efforts to advance the construction of such Distribution Upgrades and Network Upgrades to accommodate such request; provided that Interconnection Customer commits to pay Distribution Provider any associated expediting costs. Interconnection Customer shall be entitled to transmission credits, if any, in accordance with the GIA, for any expediting costs paid for Network Upgrades.

8.3 Network Upgrades

8.3.1 Initial Funding of Network Upgrades.

Unless the Distribution Provider elects to fund the full capital for identified Reliability and Delivery Network Upgrades, they shall be funded by the Interconnection Customer(s) either by means of drawing down the Interconnection Financial Security or by the provision of additional capital, at each Interconnection Customer's election, up to a maximum amount no greater than that established by the cost responsibility assigned to each Interconnection Customer(s) established under the respective Interconnection Study Process.

Where the Distribution Provider does not elect to fund the full capital for specific

Reliability and Delivery Network Upgrades, the Distribution Provider shall be responsible for funding any capital costs for the Reliability and Delivery Network Upgrades that exceed the total cost responsibility for Reliability and Delivery Network Upgrades assigned to the Interconnection Customer(s) under the respective Interconnection Study Process.

- 8.3.1.1 Where the funding responsibility for any Reliability Network Upgrade or Delivery Network Upgrade has been assigned to a single Interconnection Customer in accordance with this GIP, and the Distribution Provider has elected not to fund the full capital of the Reliability Network Upgrade or Delivery Network Upgrade, the Distribution Provider shall invoice the Interconnection Customer up to a maximum amount no greater than that established by the cost responsibility assigned to such Interconnection Customer under the respective Interconnection Study Process.
- 8.3.1.2 Where the funding responsibility for a Reliability Network Upgrade has been assigned to more than one Interconnection Customer in accordance with this GIP, and the Distribution Provider has elected not to fund the full capital of the Reliability Network Upgrade, the Distribution Provider shall invoice each Interconnection Customer for such Reliability Network Upgrade based on the ratio of the maximum MW electrical output of each new Generating Facility or the amount of MW increase in the generating capacity of each existing Generating Facility as listed the Generating Facility's Interconnection Request to the aggregate maximum MW electrical output of all such new Generating Facilities and increases in the generating capacity of existing Generating Facilities assigned responsibility for such Reliability Network Upgrade. Each Interconnection Customer may be invoiced up to a maximum amount no greater than that established by the cost responsibility for Reliability Network Upgrades assigned to that Interconnection Customer under the respective Interconnection Study Process.
- 8.3.1.3 Where the funding responsibility for a Delivery Network Upgrade has been assigned to more than one Interconnection Customer in accordance with this GIP, and the Distribution Provider has elected not to fund the full capital of the Delivery Network Upgrade, the Distribution Provider shall invoice each Interconnection Customer for such Delivery Network Upgrade based on the percentage flow impact of each assigned Generating Facility on each Delivery Network Upgrade as determined by the generation distribution factor methodology as set forth in the interconnection procedures of the CAISO Tariff. Each Interconnection Customer may be invoiced up to a maximum amount no greater than that established by the cost responsibility

for Delivery Network Upgrades assigned to that Interconnection Customer under the respective Interconnection Study Process. Any permissible extension of the Commercial Operation Date of a Generating Facility will not alter the Interconnection Customer's obligation to finance Network Upgrades where the Network Upgrades are required to meet the earlier Commercial Operation Date(s) of other Generating Facilities that have also been assigned cost responsibility for the Network Upgrades.

ATTACHMENT 1
TO GIP

Glossary of Terms

Attachment 1 TO GIP

Glossary of Terms

10 kW Inverter Process shall mean the procedure for evaluating an Interconnection Request for a certified inverter-based Generating Facility no larger than 10 kW that uses the Section 2 screens. The application process uses an all-in-one document that includes a simplified Interconnection Request, simplified procedures, and a brief set of terms and conditions. See Appendix 6 to the GIP .

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

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

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

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

Annual Full Capacity Deliverability Study shall mean the annual deliverability study performed by the CAISO described in Section 4.7.1 of the GIP, under which a Generating Facility previously studied as Energy-Only Deliverability Status will have an option to determine whether it can be designated for Full Capacity Deliverability Status or Partial Capacity Deliverability Status using available transmission capacity.

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

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

Applicable Reliability Standards shall mean the requirements and guidelines of NERC, the Applicable Reliability Council, and the Control Area of the Distribution System to which the Generating Facility is directly interconnected, including the requirements pursuant to Section 215 of the Federal Power Act.

Area Deliverability Constraint shall mean a Transmission System operating limit that either (a)

would constrain the deliverability of a substantial number of generators if the CAISO were to assign Full Capacity Deliverability Status or Partial Capacity Deliverability Status to additional generating facilities in one or more specified geographic or electrical areas of the CAISO Grid in a total amount that is greater than the TP Deliverability for those areas; (b) constrains a quantity of generation in a local area of the grid that is larger than the generation amount identified in the applicable Transmission Planning Process portfolio for the entire portfolio area; or (c) constrains all or most of the same generation already constrained by a previously identified Area Deliverability Constraint.

Area Delivery Network Upgrades shall mean a transmission upgrade or addition identified by the CAISO to relieve an Area Deliverability Constraint.

Base Case shall mean data including, but not limited to, base power flow, short circuit and stability data bases, underlying load, generation, and transmission facility assumptions, contingency lists, including relevant special protection systems, and transmission diagrams used to perform the Interconnection Studies. The Base Case may include Critical Energy Infrastructure Information (as that term is defined by FERC). The Base Case shall include transmission facilities as approved by the Distribution Provider or CAISO, as applicable, and Distribution Upgrades and Network Upgrades associated with generating facilities in (iv) below and generating facilities that: (i) are directly interconnected to the Distribution System or CAISO Grid; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending request to interconnect to the Distribution System or an Affected System; or (iv) are not interconnected to the Distribution System or CAISO Grid, but are subject to a fully executed GIA (or its equivalent predecessor agreement) or for which an unexecuted GIA (or its equivalent predecessor agreement) has been requested to be filed with FERC.

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

Breaching Party shall mean a Party that is in Breach of the GIA.

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

CAISO shall mean the California Independent System Operator Corporation, a state chartered, nonprofit, corporation that controls certain transmission facilities of all Participating Transmission Owners and dispatches certain generating units and loads.

CAISO Grid shall mean the system of transmission lines and associated facilities of the Participating Transmission Owners that have been placed under the CAISO's Operational Control.

CAISO Tariff shall mean the California Independent System Operator Corporation Operating Agreement and Tariff, dated March 31, 1997, as it may be modified from time to time.

CAISO Tariff Generator Interconnection Procedures (GIP) or CAISO's Generator Interconnection and Deliverability Allocation Procedures (GIDAP) shall mean the interconnection procedures included in the CAISO Tariff, or any successor interconnection procedures, as applicable, to interconnect a Generating Facility directly to the CAISO Grid, as

such procedures may be modified from time to time, and accepted by the Commission.

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

Cluster Application Window shall mean the time period for submitting Interconnection Requests as set forth in Section 4.1 of the GIP.

Cluster Study Process shall mean the interconnection study process set forth in Section 4 of the GIP.

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 an Electric Generating Unit shall mean the date on which an Electric Generating Unit at a Generating Facility commences Commercial Operation as agreed to by the Parties.

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.

Construction Activities shall mean actions by the Distribution Provider that result in irrevocable financial commitments for the purchase of major electrical equipment or land for Distribution Provider's Interconnection Facilities, Distribution Upgrades, or Network Upgrades assigned to the Interconnection Customer that occur after receipt of all appropriate governmental approvals needed for the Distribution Provider's Interconnection Facilities, Distribution Upgrades, or Network Upgrades.

Control Area shall mean an electrical system or systems bounded by interconnection metering and telemetry, capable of controlling generation to maintain its interchange schedule with other Control Areas and contributing to frequency regulation of the interconnection. A Control Area must be certified by an Applicable Reliability Council.

Customer Options Meeting shall mean a meeting between the Interconnection Customer and the Distribution Provider to review possible Interconnection Customer facility modifications or the screen analysis and related results, to determine what further steps are needed to permit the Generating Facility to be connected safely and reliably pursuant to Section 2.6 of the GIP.

CPUC shall mean the California Public Utilities Commission or its successor.

Default shall mean the failure of a Breaching Party to cure its Breach in accordance with the GIA.

Deliverability shall mean the annual Net Qualifying Capacity (as defined in the CAISO Tariff) of a Generating Facility, as verified through a Deliverability Assessment and measured in MW, which specifies the amount of resource adequacy capacity the Generating Facility is eligible to

provide.

Deliverability Assessment(s) shall mean an evaluation performed by the CAISO pursuant to the CAISO's On-Peak Deliverability Assessment posted on the CAISO's website, to determine if a Generating Facility or a group of Generating Facilities could provide energy to the CAISO Grid and be delivered to the aggregate of load on the CAISO Grid at peak load, under a variety of severely stressed conditions as further described in Section 4.5.4.2 of the GIP.

Delivery Network Upgrades shall mean the transmission facilities at or beyond the point where the Distribution Provider's Distribution System interconnects to the CAISO Grid, other than Reliability Network Upgrades, identified in the Interconnection Studies to relieve constraints on the CAISO Grid. Delivery Network Upgrades may be further classified as Local Delivery Network Upgrades or Area Delivery Network Upgrades.

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

Distribution 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 or wholesale distribution service under the Tariff. The term Distribution Provider should be read to include the Distribution Owner when the Distribution Owner is separate from the Distribution Provider.

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

Distribution Service shall mean the wholesale distribution service provided under the Tariff.

Distribution System shall mean those non-CAISO transmission and distribution facilities owned, controlled and operated by the Distribution Provider that are used to provide distribution service under the Tariff, which facilities and equipment are used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which Distribution Systems operate differ among areas.

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

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

Electric Generating Unit shall mean an individual electric generator and its associated plant and apparatus whose electrical output is capable of being separately identified and metered.

Electrical Independence Test shall mean the test set forth in Section 3.1 of the GIP used to determine eligibility for the Independent Study Process.

Energy-Only Deliverability Status shall mean a condition on the CAISO Grid elected by an Interconnection Customer for a Generating Facility interconnected to Distribution System, the result of which is that the Interconnection Customer is responsible only for the costs of Reliability Network Upgrades (as defined in the CAISO Tariff) and is not responsible for the costs of Delivery Network Upgrades (as defined in the CAISO Tariff), but the Generating Facility will be deemed to have a Net Qualifying Capacity (as defined in the CAISO Tariff) of zero and, therefore, cannot be considered to be a Resource Adequacy Resource (as defined in the CAISO Tariff).

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

Fast Track Process shall mean the interconnection study process set forth in Section 2 of the GIP.

Federal Power Act shall mean the Federal Power Act, as amended, 16 U.S.C. §§ 791a et seq.

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

Full Capacity Deliverability Status entitles a Generating Facility interconnected with the Distribution System to a Net Qualifying Capacity (as defined in the CAISO Tariff) amount on the CAISO Grid that could be as large as its Qualifying Capacity (as defined in the CAISO Tariff) and may be less pursuant to the assessment of its Net Qualifying Capacity by the CAISO.

Generating Facility shall mean the Interconnection Customer's device for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities. A Generating Facility is one that has maximum capacity of 20 MW or less.

Generating Facility Capacity shall mean the net capacity of the Generating Facility and the aggregate net capacity of the Generating Facility where it includes multiple Electric Generating Units.

Generator Interconnection Agreement (GIA) shall mean Small Generator Interconnection Agreement (SGIA), which is Attachment E to this Tariff, unless the proposed interconnection is for a generating facility larger than 20 MW, in which case references to GIA are to the Large

Generator Interconnection Agreement (LGIA), which is Attachment G to this Tariff. For an Interconnection Customer who chooses a state-jurisdictional GIA pursuant to GIP Section 6.8.1.2, the pro forma version will be the CPUC-approved form Rule 21 GIA.

Generator Interconnection Study Process Agreement shall mean the agreement entered into by the Interconnection Customer and the Distribution Provider which sets forth the Parties' agreement to perform Interconnection Studies under the Cluster Study Process, a pro forma version of which is set forth in Appendix 5 of the GIP.

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, Distribution Provider, or any Affiliate thereof.

Group Study shall mean the process whereby more than one Interconnection Request is studied together, instead of individually, for the purpose of conducting one or more of the Interconnection Studies or analyses therein.

Independent Study Process shall mean the interconnection study process set forth in Section 3 of the GIP.

Independent Study Process Study Agreement shall mean the agreement entered into by the Interconnection Customer and the Distribution Provider which sets forth the Parties' agreement to perform Interconnection Studies under the Independent Study Process, a pro forma version of which is set forth in Appendix 4 to the GIP.

Initial Review shall mean the review by Distribution Provider utilizing screens set forth in Section 2.5 of this GIP to determine if the Generating Facility qualifies for Fast Track Interconnection.

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

Interconnection Customer shall mean any entity, including the Distribution Provider, the Distribution Owner or any of the Affiliates or subsidiaries of either, that proposes to interconnect

its Generating Facility with the Distribution Provider's Distribution System.

Interconnection Customer's Interconnection Facilities shall mean all facilities and equipment, as identified in the GIA, that are located between the Generating Facility and the Point of Change of Ownership, including any modification, addition, or upgrades to such facilities and equipment necessary to physically and electrically interconnect the Generating Facility to the Distribution Provider's Distribution System. Interconnection Customer's Interconnection Facilities are sole use facilities.

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

Interconnection Facilities Study shall mean a study conducted by the Distribution Provider for an Interconnection Customer under the Independent Study Process to determine a list of facilities (including Distribution Provider's Interconnection Facilities, Distribution Upgrades, and Network Upgrades as identified in the Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Distribution Provider's Distribution System. The scope of the study is defined in Section 3.6 of the GIP.

Interconnection Financial Security shall mean any of the financial instruments listed in Sections 3.11 and 4.8 of the GIP.

Interconnection Handbook shall mean a handbook, developed by the Distribution Provider and posted on the Distribution Provider's website or otherwise made available by the Distribution Provider, describing the technical and operational requirements for wholesale generators and loads connected to the Distribution System, as such handbook may be modified or superseded from time to time. Distribution Provider's standards contained in the Interconnection Handbook shall be deemed consistent with Good Utility Practice and Applicable Reliability Standards. In the event of a conflict between the terms of the GIP and the terms of the Distribution Provider's Interconnection Handbook, the terms in the GIP shall govern.

Interconnection Request shall mean the Interconnection Customer's request, in accordance with the Tariff and the CAISO Tariff, to interconnect a new Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an existing Generating Facility that is interconnected with the Distribution Provider's Distribution System.

Interconnection Service shall mean the service provided by the Distribution Provider associated with interconnecting the Interconnection Customer's Generating Facility to the Distribution Provider's Distribution 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 GIA and, if applicable, the Distribution Provider's Tariff.

Interconnection Study shall mean any of the following studies: the Phase I Interconnection

Study, the Phase II Interconnection Study, the Interconnection System Impact Study and the Interconnection Facilities Study.

Interconnection Study Cycle shall mean all requirements, actions, and respective obligations of the Distribution Provider and Interconnection Customer under the Cluster Study Process of the GIP applicable to an Interconnection Request submitted in a particular Cluster Application Window.

Interconnection Study Deposit shall mean the cash deposit provided to the Distribution Provider under Sections 3.2.1 or 4.2.1 of the GIP as a requirement of a valid Interconnection Request to be used to offset the cost of the Interconnection Studies.

Interconnection System Impact Study shall mean an engineering study conducted by the Distribution Provider for an Interconnection Customer under the Independent Study Process that evaluates the impact of the proposed interconnection on the safety and reliability of Distribution Provider's Distribution System and, if applicable, an Affected System. The scope of the study is defined in Section 3.5.1 of the GIP.

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

Local Deliverability Constraint shall mean a Transmission System operating limit that would be exceeded if the CAISO were to assign Full Capacity Deliverability Status or Partial Capacity Deliverability Status to one or more additional Generating Facilities interconnecting to the CAISO Grid in a specific local area, and that is not an Area Deliverability Constraint.

Local Delivery Network Upgrades shall mean a transmission upgrade or addition identified by the CAISO to relieve a Local Deliverability Constraint.

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 GIA on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnifying Party.

Material Modification shall mean a modification that has a material impact on the cost or timing of any Interconnection Request or any other deemed complete interconnection request to the Distribution Provider or the CAISO with a later queue priority date.

Metering Equipment shall mean all metering equipment installed or to be installed at the Generating Facility pursuant to the GIA at the metering points, including but not limited to instrument transformers, MW-hour-meters, data acquisition equipment, transducers, remote terminal unit, communications equipment, phone lines, and fiber optics.

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

Network Upgrades shall mean additions, modifications, and upgrades to the Distribution Provider's Transmission System required at or beyond the point at which the Distribution

System connects to the Distribution Provider's Transmission System to accommodate the interconnection of the Generating Facility to the Distribution Provider's Transmission System. Network Upgrades do not include Distribution Upgrades.

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

Off-Peak Deliverability Assessment shall mean the technical study performed under Section 4.5.4.2.1 of the GIP.

On-Peak Deliverability Assessment shall mean the technical study performed under Section 4.5.4.2.2 of the GIP.

Partial Capacity Deliverability Status entitles a Generating Facility to a Net Qualifying Capacity amount that cannot be larger than a specified fraction of its Qualifying Capacity, and may be less pursuant to the assessment of its Net Qualifying Capacity by the CAISO (as defined in the CAISO Tariff), and may be less pursuant to the assessment of its Net Qualifying Capacity by the CAISO. An Interconnection Customer requesting Partial Capacity Deliverability Status must specify the fraction of Full Capacity Deliverability Status it is seeking in its Interconnection Request.

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

Phase I Interconnection Study shall mean the engineering study conducted by the Distribution Provider, that evaluates the impact of the proposed interconnection on the safety and reliability of the Distribution System, CAISO Grid and, if applicable, an Affected System. The portion of the study required to evaluate the impacts on the CAISO Grid will be directed by the CAISO and will be completed in a manner consistent with the interconnection procedures of the CAISO Tariff. The study shall identify and detail the system impacts that would result if the Generating Facility(ies) were interconnected without identified project modifications or system modifications, as provided in the On-Peak Deliverability Assessment or Off-Peak Deliverability Assessment, and other potential impacts, including but not limited to those identified in the Scoping Meeting as described in this GIP and in the interconnection procedures of the CAISO Tariff. The study will also identify the approximate total costs of mitigating these impacts, along with an equitable allocation of those costs to Interconnection Customers for their individual Generating Facilities.

Phase II Interconnection Study shall mean an engineering and operational study conducted by the Distribution Provider to determine the Point of Interconnection and a list of facilities (including Distribution Provider's Interconnection Facilities, Network Upgrades, Distribution Upgrades, and Stand Alone Network Upgrades), the estimated cost of those facilities, and the estimated time required to interconnect the Generating Facility(ies) with the Distribution System. The portion of the study required to evaluate the impacts on the CAISO Grid will be directed by the CAISO and will be completed in a manner consistent with the interconnection procedures of the CAISO Tariff.

Point of Change of Ownership shall mean the point, as set forth in the CAISO Tariff, where the

Interconnection Customer's Interconnection Facilities connect to the Distribution Provider's Interconnection Facilities.

Point of Interconnection shall mean the point where the Interconnection Facilities connect with the Distribution Provider's Distribution System.

Pre-Construction Activities shall mean the actions by the Distribution Provider, other than those required by an Engineering & Procurement Agreement under Section 7 of the GIP, undertaken prior to Construction Activities in order to prepare for the construction of the Distribution Provider's Interconnection Facilities, Distribution Upgrades, or Network Upgrades assigned to the Interconnection Customer, including, but not limited to, preliminary engineering, permitting activities, environmental analysis, or other activities specifically needed to obtain governmental approvals for the Distribution Provider's Interconnection Facilities, Distribution Upgrades, or Network Upgrades.

President's Critical Infrastructure Protection Board shall mean the federal critical infrastructure protection board created by Executive Order 13231 on October 16, 2001 which is charged with recommending policies and coordinating programs for protecting information systems for critical infrastructure. Critical infrastructure, as defined in the Patriot Act of 2001, means systems and assets, whether physical or virtual, so vital to the United States that the incapacity or destruction of such systems and assets would have a debilitating impact on security, national economic security, national public health or safety, or any combination of those matters.

Queue Clusters shall mean a set of Interconnection Requests processed in an Interconnection Study Cycle pursuant to the interconnection procedures of the CAISO Tariff other than pursuant to the Fast Track Process or the Independent Study Process set forth in the interconnection procedures of the CAISO Tariff.

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

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

Reliability Network Upgrades shall mean the transmission facilities at or beyond the point where the Distribution Provider's Distribution System interconnects to the CAISO Grid, necessary to interconnect one or more Generating Facility(ies) safely and reliably to the CAISO Grid, which would not have been necessary but for the interconnection of one or more Generating Facility(ies), including Network Upgrades necessary to remedy short circuit or stability problems, or thermal overloads. Reliability Network Upgrades shall only be deemed necessary for system operating limits, occurring under any system condition, which system operating limits cannot be adequately mitigated through the CAISO's congestion management, operating procedures, or special protection systems based on the characteristics of the Generating

Facilities included in the Interconnection Studies, limitations on market models, systems, or information, or other factors specifically identified in the Interconnection Studies. Reliability Network Upgrades also include, consistent with the Applicable Reliability Council's practice and Applicable Reliability Standards, the facilities necessary to mitigate any adverse impact the Generating Facility's interconnection may have on a path's Applicable Reliability Council rating.

Results Meeting shall mean the meeting among the Distribution Provider, the Interconnection Customer, and if applicable, the CAISO and other Affected System Operators to discuss the results of the Interconnection Studies as set forth in the GIP.

Rule 21 shall mean Distribution Provider's state-jurisdictional Electric Tariff Rule 21.

Rule 21 GIA shall mean the form of interconnection agreement applicable to an Interconnection Request for an Interconnection Customer who chooses a state-jurisdictional GIA pursuant to this GIP, the pro forma version of which will be the CPUC-approved form Rule 21 GIA for projects studied under the Cluster Study Process.

Scoping Meeting shall mean the meeting between representatives of the Interconnection Customer and Distribution Provider, and if applicable, the CAISO, conducted for the purpose of discussing alternative interconnection options, to exchange information including any transmission data and earlier study evaluations that would be reasonably expected to impact such interconnection options, to analyze such information, and to determine the potential feasible Points of Interconnection.

Site Exclusivity shall mean documentation reasonably demonstrating (1) for private land: (a) ownership of, a leasehold interest in, or a right to develop property upon which the Generating Facility will be located consisting of a minimum of 50% of the acreage reasonably necessary to accommodate the Generating Facility; or (b) an option to purchase or acquire a leasehold interest in property upon which the Generating Facility will be located consisting of a minimum of 50% of the acreage reasonably necessary to accommodate the Generating Facility; (2) for public land, including that controlled or managed by any federal, state or local agency, a final, non-appealable permit, license, or other right to use the property for the purpose of generating electric power and in acreage reasonably necessary to accommodate the Generating Facility, which exclusive right to use public land under the management of the federal Bureau of Land Management shall be in a form specified by the Bureau of Land Management.

Site Exclusivity Deposit shall mean the cash deposit provided to the Distribution Provider by Interconnection Customers under Section 4.2.1 of this GIP as an option in lieu of demonstrating Site Exclusivity for a valid Interconnection Request and treated in accordance with Section 4.2.1.2 of this GIP.

Small Generating Facility shall mean a Generating Facility having a Generating Facility Capacity of no more than 20 MW.

Stand Alone Network Upgrades shall mean Network Upgrades that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. Both the Distribution Provider and the Interconnection Customer must

agree as to what constitutes Stand Alone Network Upgrades and identify them in an Appendix to the GIA.

Supplemental Review shall mean a request by an Interconnection Customer for the Distribution Provider to conduct a review pursuant to Section 2.7 of the GIP.

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

Tariff shall mean the Distribution Provider's Wholesale Distribution Open Access Tariff through which open access distribution service and Interconnection Service are offered, as filed with the FERC, and as amended or supplemented from time to time, or any successor tariff.

TP Deliverability shall mean the capability, measured in MW, of the CAISO Grid as modified by transmission upgrades and additions modeled or identified in the annual Transmission Plan to support the interconnection with Full Capacity Deliverability Status or Partial Capacity Deliverability Status of additional Generating Facilities in a specified geographic or electrical area of the CAISO Grid.

Transmission Plan shall mean the report prepared by the CAISO on an annual basis pursuant to Section 24 of the CAISO Tariff, which documents the outcome of the CAISO's transmission planning process by which the CAISO assesses the CAISO Grid.

Transmission System shall mean those facilities owned by the Distribution Provider that have been placed under the CAISO's operational control and are part of the CAISO Grid.

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

Upgrades shall mean the required additions and modifications to the Distribution Provider's Transmission System and Distribution System at or beyond the Point of Interconnection. Upgrades may be Network Upgrades or Distribution Upgrades. Upgrades do not include Interconnection Facilities.

APPENDIX 1 to the GIP

GENERATING FACILITY INTERCONNECTION REQUEST FORM

**APPENDIX 1 to the GIP
INTERCONNECTION REQUEST FOR A
GENERATING FACILITY**

Provide two copies of this completed form pursuant to GIP Appendix 1 Section 7 below.

1. The undersigned Interconnection Customer submits this request to interconnect its Generating Facility with the Distribution Provider's Distribution System (check one):
 - ☐ Fast Track Process.
 - ☐ Independent Study Process.
 - ☐ Cluster Study process.
 - ☐ Annual Deliverability Assessment pursuant to GIP Section 4.7

2. This Interconnection Request is for (check one):
 - ☐ A proposed new Generating Facility.
 - ☐ An increase in the generating capacity or a Material Modification to an existing Generating Facility.

3. Requested Deliverability Status is for (check one):
 - ☐ FULL CAPACITY Deliverability Capacity (For Independent Study Process and Cluster Study Process only. Note – Deliverability analysis for Independent Study Process is conducted with the next annual Cluster Study – See GIP Section 3.7)
 - ☐ ENERGY-ONLY

4. The Interconnection Customer provides the following information:
 - a. Address or location, including the county, of the proposed new Generating Facility site or, in the case of an existing Generating Facility, the name and specific location, including the county, of the existing Generating Facility;

Project Name: _____
Project Location: _____
Street Address: _____
City, State: _____
County: _____
Zip Code: _____

GPS Coordinates: _____

- b. Maximum net megawatt electrical output (as defined by Section 2.C of Attachment A to this Appendix 1) of the proposed new Generating Facility or the amount of net megawatt increase in the generating capacity of an existing Generating Facility (Note: All “MW” references in this Attachment shall be alternating current (AC) only unless otherwise noted):

• Maximum net megawatt electrical output: _____(MW)

“OR”

• Net Megawatt increase: _____(MW)

- c. Type of project (i.e., gas turbine, hydro, wind, etc.) and general description of the equipment configuration (if more than one type is chosen include net MW for each):

- ☐ Cogeneration _____(MW)
☐ Reciprocating Engine _____(MW)
☐ Biomass _____(MW)
☐ Steam Turbine _____(MW)
☐ Gas Turbine _____(MW)
☐ Wind _____(MW)
☐ Hydro _____(MW)
☐ Solar _____(MW)

☐ Photovoltaic Crystalline

☐ Concentrated Solar PV

☐ Thin Film

☐ Solar-Thermal

☐ Other: _____

• Installation Type: ☐ Ground ☐ Pole ☐ Rooftop ☐ Other

• Tracking: ☐ N/A ☐ 1-Axis ☐ 2-Axis

☐ Combined Cycle _____(MW)

☐ Other _____(MW)

Please describe Other above:

General description of the equipment configuration (e.g. number, size, type, etc.)

- d. Proposed In-Service Date, Trial Operation date and Commercial Operation Date by day, month, and year and term of service (dates must be sequential):

• Proposed In-Service Date: _____
• Proposed Trial Operation Date: _____
• Proposed Commercial Operation Date: _____
• Proposed Term of Service (years): _____

- e. Name, address, telephone number, and e-mail address of the Interconnection Customer's contact person (primary person who will be contacted):

Name: _____
Title: _____
Company: _____
Name: Street: _____
Address: _____
City, State: _____
Zip Code: _____
Phone Number: _____
Fax Number: _____
Email Address: _____
DUNS Number: _____

- f. Approximate location of the proposed Point of Interconnection (i.e., specify distribution facility interconnection point name, voltage level, and the location of interconnection);
- g. Interconnection Customer Generating Facility Data (set forth in Attachment A).

The Interconnection Customer shall provide to the Distribution Provider the technical data called for in GIP Attachment A to Appendix 1. Two (2) copies are required.

5. Applicable deposit amount as specified in the GIP made payable to San Diego Gas & Electric Company. Please DO NOT include any checks/monies with this Interconnection Request! Upon receipt of your Interconnection Request, Distribution Provider will send a separate invoice for the applicable processing fee. Any checks/monies submitted with an Interconnection Request will be returned to the sender and may result in delaying the application process.

Please send the following separate from any required deposit amounts.

- a. Appendix 1 to GIP (Interconnection Request) for processing.
b. Attachment A to Appendix 1 (Interconnection Request Generating Facility Data).
6. Please attach evidence of Site Exclusivity as specified in the GIP and name(s), address(es) and contact information of site owner(s).

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

San Diego Gas and Electric Company

Attention: Customer Generation

1) 8316 Century Park Court CP52F

2) San Diego, CA 92123-1582

Telephone Number: 858-636-5581

3) Fax: 619-819-4448

4) E-Mail Address: WDATGIPAPPLICATIONS@semprautilities.com

8. Representative of the Interconnection Customer to contact:
[To be completed by the Interconnection Customer]

Name: _____

Title: _____

Company Name: _____

Street Address: _____

City, State: _____

Zip Code: _____

Phone Number: _____

Fax Number: _____

Email Address: _____

9. This Interconnection Request is submitted by:

Legal name of the Interconnection Customer: _____

By (signature): _____

Name (type or print): _____

Title: _____

Date: _____

ATTACHMENT A to GIP APPENDIX 1:
Interconnection Request for a Generating Facility
GENERATING FACILITY DATA

Provide two copies of this completed form pursuant to Appendix 1 Section 7 of Interconnection Request.

Each Interconnection Customer will complete Sections 1 and 2 of this Attachment A.

Each Interconnection Customer will complete the applicable data in Sections 3 through 6 of this Attachment A based on the type of generating facility(ies) requesting interconnection. (Section 3 for synchronous generators, Section 4 for induction generators, Section 5 for wind turbine generators, and Section 6 for inverter-based generators).

Each Interconnection Customer will complete Sections 7 through 10, as applicable.

At any time, Distribution Provider may require Interconnection Customer to provide additional technical data, or additional documentation supporting the technical data provided, as deemed necessary by the Distribution Provider to perform Interconnection Studies, other studies, or evaluations as set forth under the GIP.

1. Provide two original prints (11"x17" size ONLY, no substitutes) and one reproducible copy of the following:

- A. Site drawing to scale, showing generator location and Point of Interconnection with the Distribution Provider's Distribution System.
- B. Single-line diagram showing applicable equipment such as generating units, step-up transformers, auxiliary transformers, switches/disconnects of the proposed interconnection, including the required System Protection Facilities and circuit breakers. For wind and photovoltaic generator projects, the one line diagram should include the distribution lines connecting the various groups of generating units, the generator capacitor banks, the step up transformers, the distribution lines, and the substation transformers and capacitor banks at the Point of Interconnection with the Distribution Provider's Distribution System. This one-line drawing must be signed and stamped by a licensed Professional Engineer if the Generating Facility is larger than 50 kW.

2. Generating Facility General Information:

A. Total Generating Facility rated output (MW): _____

B. Generating Facility auxiliary Load (MW): _____

C. Project net capacity (MW): _____

D. Standby Load when Generating Facility is off-line (MW): _____

E. Number of Generating Units: _____

(Please repeat the following items for each generator)

F. Individual generator rated output (MW for each unit): _____

G. Type (induction, synchronous, D.C. with inverter): _____

H. Phase (3 phase or single phase): _____

3. Synchronous Generator –Information:

3A. Generator Information:

(Please repeat the following for each generator)

A. Manufacturer: _____

B. Year Manufactured: _____

C. Rated Generator speed (rpm): _____

D. Rated MVA: _____

E. Rated Terminal Voltage (kV): _____

F. Rated Generator Power Factor: _____

G. Generator Efficiency at Rated Load (%): _____

H. Moment of Inertia (including prime mover): _____

I. Inertia Time Constant (on machine base) H: _____ sec or MJ/MVA

J. SCR (Short-Circuit Ratio - the ratio of the field current required for rated open-circuit voltage to the field current required for rated short-circuit current): _____

K. Please attach generator reactive capability curves.

L. Rated Hydrogen Cooling Pressure in psig (Steam Units only):

M. Please attach a plot of generator terminal voltage versus field current that shows the air gap line, the open-circuit saturation curve, and the saturation

curve at full load and rated power factor.

3B. Excitation System Information:

(Please repeat the following for each generator)

- A. Indicate the Manufacturer _____ and Type _____ of excitation system used for the generator. For exciter type, please choose from 1 to 9 below or describe the specific excitation system.
- (1) Rotating DC commutator exciter with continuously acting regulator. The regulator power source is independent of the generator terminal voltage and current.
 - (2) Rotating DC commutator exciter with continuously acting regulator. The regulator power source is bus fed from the generator terminal voltage.
 - (3) Rotating DC commutator exciter with non-continuously acting regulator (i.e., regulator adjustments are made in discrete increments).
 - (4) Rotating AC Alternator Exciter with non-controlled (diode) rectifiers. The regulator power source is independent of the generator terminal voltage and current (not bus-fed).
 - (5) Rotating AC Alternator Exciter with controlled (thyristor) rectifiers. The regulator power source is fed from the exciter output voltage.
 - (6) Rotating AC Alternator Exciter with controlled (thyristor) rectifiers.
 - (7) Static Exciter with controlled (thyristor) rectifiers. The regulator power source is bus-fed from the generator terminal voltage.
 - (8) Static Exciter with controlled (thyristor) rectifiers. The regulator power source is bus-fed from a combination of generator terminal voltage and current (compound-source controlled rectifiers system).
 - (9) Other (specify): _____
- B. Attach a copy of the block diagram of the excitation system from its instruction manual. The diagram should show the input, output, and all feedback loops of the excitation system.
- C. Excitation system response ratio (ASA): _____

- D. Full load rated exciter output voltage: _____
- E. Maximum exciter output voltage (ceiling voltage): _____
- F. Other comments regarding the excitation system?

3C. Power System Stabilizer (PSS) Information (if applicable):

(Please repeat the following for each generator)

- A. Manufacturer: _____
- B. Is the PSS digital or analog? _____
- C. Note the input signal source for the PSS:
 Bus frequency _____ Shaft speed _____
 Bus Voltage _____ Other (specify source) _____
- D. Please attach a copy of a block diagram of the PSS from the PSS Instruction Manual and the correspondence between dial settings and the time constants or PSS gain.
- E. Other comments regarding the PSS?

3D. Turbine-Governor Information:

(Please repeat the following for each generator)

Please complete Part A for steam, gas or combined-cycle turbines, Part B for hydro turbines, and Part C for both.

- A. Steam, gas or combined-cycle turbines:
 - (1) List type of unit (Steam, Gas, or Combined-cycle): _____
 - (2) If steam or combined-cycle, does the turbine system have a reheat process (i.e., both high and low pressure turbines)? _____
 - (3) If steam with reheat process, or if combined-cycle, indicate in the

space provided, the percent of full load power produced by each turbine:

Low pressure turbine or gas turbine: _____%

High pressure turbine or steam turbine: _____%

- (4) For combined cycle plants, specify the plant net output capacity (MW) for an outage of the steam turbine or an outage of a single combustion turbine: _____

B. Hydro turbines:

- (1) Turbine efficiency at rated load: _____%
- (2) Length of penstock: _____ft
- (3) Average cross-sectional area of the penstock: _____ft²
- (4) Typical maximum head (vertical distance from the bottom of the penstock, at the gate, to the water level): _____ft
- (5) Is the water supply run-of-the-river or reservoir: _____
- (6) Water flow rate at the typical maximum head: _____ft³/sec
- (7) Average energy rate: _____kW-hrs/acre-ft
- (8) Estimated yearly energy production: _____kW-hrs

C. Complete this section for each machine, independent of the turbine type.

- (1) Turbine manufacturer: _____
- (2) Maximum turbine power output: _____MW
- (3) Minimum turbine power output (while on line): _____MW
- (4) Governor information:
 - (a) Droop setting (speed regulation): _____
 - (b) Is the governor mechanical-hydraulic or electro-hydraulic (Electro-hydraulic governors have an electronic speed sensor and transducer)? _____
 - (c) Other comments regarding the turbine governor system?

3E. Short Circuit Duty Information:

For each generator, provide the following reactances expressed in p.u. on the generator base:

- X_d – Direct Axis Synchronous Reactance: _____ p.u.
- X'_d – Direct Axis Transient Reactance: _____ p.u.
- X''_d – Direct Axis Subtransient Reactance: _____ p.u.
- R_2 – Negative Sequence Resistance: _____ p.u.
- X_2 – Negative Sequence Reactance: _____ p.u.
- R_1 – Positive Sequence Resistance: _____ p.u.
- X_1 – Positive Sequence Reactance: _____ p.u.
- R_0 – Zero Sequence Resistance: _____ p.u.
- X_0 – Zero Sequence Reactance: _____ p.u.

Generator Grounding (select one for each model):

- A. _____ Solidly grounded
- B. _____ Grounded through an impedance
(Impedance value in p.u. on generator base. R: _____ p.u. X: _____ p.u.)
- C. _____ Ungrounded

4. Induction Generator Information:

(Please repeat the following for each generator)

- A. Motoring Power (kW): _____
- B. I_2^2t or K (Heating Time Constant): _____
- C. Rotor Resistance, (R_r): _____ ohms
- D. Stator Resistance, (R_s): _____ ohms
- E. Stator Reactance, (X_s): _____ ohms
- F. Rotor Reactance, (X_r): _____ ohms

G. Magnetizing Reactance, (X_m): _____ ohms

H. Short Circuit Reactance, (X_d''): _____ ohms

I. Exciting Current: _____

J. Temperature Rise ($^{\circ}\text{C}$): _____

K. Frame Size: _____

L. Design Letter: _____

M. Reactive Power Required (No Load): _____ Vars

N. Reactive Power Required (Full Load): _____ Vars

O. Total Rotating Inertia, H: _____ p.u. on kVA Base

5. Wind Turbine Generator (WTG) Information:

(Proposed projects may include one or more WTG types. Please repeat the following for each type of WTG).

A. WTG Manufacturer and Model: _____

B. Number of WTGs: _____

C. WTG Type (check one):

____ Type 1 (Squirrel-cage induction generator)

____ Type 2 (Wound rotor induction machine with variable rotor resistance)

____ Type 3 (Doubly-fed asynchronous generator)

____ Type 4 (Full converter interface)

D. Nameplate Rating (each WTG): _____ / _____ kW/kVA

E. Rated Terminal Voltage: _____ kV

F. For Type 1 or Type 2 WTGs:

(1) uncompensated power factor at full load: _____

(2) power factor correction capacitors at full load: _____ MVAR

(3) number of shunt stages and size: _____

(4) Please attach capability curve describing reactive power or power factor

range from no output to full rated output, including the effect of shunt compensation.

G. For Type 3 or Type 4 WTGs:

- (1) Maximum under-excited power factor at full load: _____
- (2) Maximum over-excited power factor at full load: _____
- (3) Control mode: _____ (voltage control, fixed power factor)
- (4) Please attach capability curve describing reactive power or power factor range from no output to full rated output.

H. Short Circuit Characteristics: Applicant to provide technical data related to the short circuit characteristics of proposed WTGs for short circuit duty study modeling purposes. For example, the applicant can provide manufacturer short circuit test data showing faulted condition for three phase and single-line-to-ground fault.

Distribution Provider may require testing verification of voltage and harmonic performance during commissioning test of WTG based generation projects.

6. Inverter Based Generation Systems Information:

The Distribution Provider may require inverter-based equipment to provide a range of grid support functions and associated communications interface, as deemed necessary by the Provider. Typical inverter functions that may be required include but not limited to the following:

- I. Interaction with Distribution Provider (Response to commands from Distribution Provider)
 - i. Real-time power production on demand (kW and kVars)
 - ii. For renewable Distributed Energy Resources (DER), limit power output or disconnect when directed
 - iii. Real-time voltage regulation per direction from utility
 - iv. Real-time P.F. (reactive power) operation per direction from utility
 - v. Operating status reporting from specific DER to utility when requested
 - vi. Real-time DER management by CAISO Automatic Generation Control (AGC) mechanisms when directed

II. Autonomous Reactions (Use of pre-set modes and schedules to direct local operation)

- i. Local voltage regulation within pre-set limits
 - a. Normal conditions voltage regulation
 - b. Sudden voltage change regulation
- ii. Local load following or renewable DER smoothing using pre-set mode
- iii. Low voltage ride through for certain conditions in excess of IEEE1547 limits
- iv. Pre-set response to voltage anomalies related to fault ride-through conditions
- v. Pre-set response to frequency disturbances
- vi. Disconnect from the utility grid for pre-defined conditions
- vii. Operation in compliance with pre-defined schedules
- viii. Event / history logging

Proposed inverter based generation projects may include one or more types of inverters.

(Please repeat the following for each type of inverter)

- A. Inverter Manufacturer and Model: _____
- B. Number of Inverters: _____
- C. Nameplate Rating (AC, each inverter): _____ / _____ kW
- D. Nameplate Voltage Rating (AC): _____ kV and Voltage output range: _____ VAC to _____ VAC
- E. Maximum AC line current: _____ Amps
- F. Individual Generator Power Factor
Rated Power Factor: Leading: _____ Lagging: _____
- G. Please attach capability curve describing reactive power or power factor range from no output to full rated output
- H. Inverter control mode (e.g. voltage, power factor, reactive power): _____
- I. Short Circuit Characteristics: Applicant to provide equivalent impedance to use for short circuit modeling: _____ p.u.

J. Harmonics Characteristics:

- (1) Inverter switching frequency: _____
- (2) Harmonic characteristics for each unit up to switching frequency: _____
- (3) Harmonic characteristics for aggregate generation facility: _____

K. Maximum Ramp-up Rate: _____ % generation capacity per minute

Distribution Provider may require testing verification of voltage and harmonic performance during commissioning test of the inverter based generation systems.

7. **Step-Up Transformer Data:**

For each step-up transformer (e.g. main step-up transformers, padmount transformers), fill out the data form provided in Table 1. Applicant shall attach a copy of fuse manufacturer's minimum melt and total clearing Time-Current curves.

Manufacturer: _____ Type: _____ Size: _____

8. **Line Data:**

For distribution lines that are to be planned by the generation developer, please provide the following information:

Nominal Voltage (High Side): _____ kV

Line Length (miles): _____

Conductor Type: _____ Size: _____

Positive Sequence Resistance (R_1): _____ p.u.** (for entire line length)

Positive Sequence Reactance: (X_1): _____ p.u.** (for entire line length)

Zero Sequence Resistance (R_0): _____ p.u.** (for entire line length) Zero

Sequence Reactance: (X_0): _____ p.u.** (for entire line length)

Line Charging (B/2): _____ p.u.**

** On 100-MVA and nominal line voltage (kV) Base

9. **Model Data:**

For Synchronous base generation, Applicant shall provide block diagrams for the governor, exciter, and mechanical drive and associated parameters. For inverter base generation, Applicant shall provide voltage control block diagram with parameters (i.e.

time constants, gain and dead band settings).

TABLE 1
TRANSFORMER DATA
(Provide for each level of transformation)

UNIT _____

NUMBER OF TRANSFORMERS _____

PHASE _____

RATING	H Winding	X Winding	Y Winding
Rated MVA	_____	_____	_____
Connection (Delta, Wye, Gnd.)			
Cooling Type (OA,OA/FA, etc) :			
Temperature Rise Rating			
Rated Voltage			
BIL			
Available Taps (% of rating)			
Load Tap Changer? (Y or N)			
Tap Settings	_____	_____	_____
IMPEDANCE	H-X	H-Y	X-Y
Percent	_____	_____	_____

MVA Base			
Tested Taps	_____	_____	_____
WINDING RESISTANCE	H	X	Y
Ohms	_____	_____	_____

CURRENT TRANSFORMER RATIOS

H _____ X _____ Y _____ N _____

PERCENT EXCITING CURRENT 100 % Voltage: _____ 110% Voltage _____

APPENDIX 2 to the GIP

CERTIFICATION CODES AND STANDARDS

APPENDIX 2 to the GIP
CERTIFICATION CODES AND STANDARDS
(as may be updated from time to time)

- IEEE1547 Standard for Interconnecting Distributed Resources with Electric Power Systems (including use of IEEE 1547.1 testing protocols to establish conformity)
- UL 1741 Inverters, Converters, and Controllers for Use in Independent Power Systems
- IEEE Std 929-2000 IEEE Recommended Practice for Utility Interface of Photovoltaic (PV) Systems
- NFPA 70 (2002), National Electrical Code
- IEEE Std C37.90.1-1989 (R1994), IEEE Standard Surge Withstand Capability (SWC) Tests for Protective Relays and Relay Systems
- IEEE Std C37.90.2 (1995), IEEE Standard Withstand Capability of Relay Systems to Radiated Electromagnetic Interference from Transceivers
- IEEE Std C37.108-1989 (R2002), IEEE Guide for the Protection of Network Transformers
- IEEE Std C57.12.44-2000, IEEE Standard Requirements for Secondary Network Protectors
- IEEE Std C62.41.2-2002, IEEE Recommended Practice on Characterization of Surges in Low Voltage (1000V and Less) AC Power Circuits
- IEEE Std C62.45-1992 (R2002), IEEE Recommended Practice on Surge Testing for Equipment Connected to Low-Voltage (1000V and Less) AC Power Circuits
- ANSI C84.1-1995 Electric Power Systems and Equipment – Voltage Ratings (60 Hertz)
- IEEE Std 100-2000, IEEE Standard Dictionary of Electrical and Electronic Terms
- NEMA MG 1-1998, Motors and Small Resources, Revision 3
- IEEE Std 519-1992, IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems
- NEMA MG 1-2003 (Rev 2004), Motors and Generators, Revision 1

APPENDIX 3 to the GIP

CERTIFICATION OF GENERATOR EQUIPMENT PACKAGES

APPENDIX 3 to the GIP

CERTIFICATION OF GENERATOR EQUIPMENT PACKAGES

- 1.0 Generating Facility equipment proposed for use separately or packaged with other equipment in an interconnection system shall be considered certified for interconnected operation if (1) it has been tested in accordance with industry standards for continuous utility interactive operation in compliance with the appropriate codes and standards referenced below by any Nationally Recognized Testing Laboratory (NRTL) recognized by the United States Occupational Safety and Health Administration to test and certify interconnection equipment pursuant to the relevant codes and standards listed in Appendix 2 of the GIP as may be updated or revised from time to time, (2) it has been labeled and is publicly listed by such NRTL at the time of the interconnection application, and (3) such NRTL makes readily available for verification all test standards and procedures it utilized in performing such equipment certification, and, with consumer approval, the test data itself. The NRTL may make such information available on its website and by encouraging such information to be included in the manufacturer's literature accompanying the equipment.
- 2.0 The Interconnection Customer must verify that the intended use of the equipment falls within the use or uses for which the equipment was tested, labeled, and listed by the NRTL.
- 3.0 Certified equipment shall not require further type-test review, testing, or additional equipment to meet the requirements of this interconnection procedure; however, nothing herein shall preclude the need for an on-site commissioning test by the parties to the interconnection nor follow-up production testing by the NRTL.
- 4.0 If the certified equipment package includes only interface components (switchgear, inverters, or other interface devices), then an Interconnection Customer must show that the generator or other electric source being utilized with the equipment package is compatible with the equipment package and is consistent with the testing and listing specified for this type of interconnection equipment.
- 5.0 Provided the generator or electric source, when combined with the equipment package, is within the range of capabilities for which it was tested by the NRTL, and does not violate the interface components' labeling and listing performed by the NRTL, no further design review, testing or additional equipment on the customer side of the point of common coupling shall be required to meet the requirements of this interconnection procedure.
- 6.0 An equipment package does not include equipment provided by the utility.
- 7.0 Any equipment package approved and listed in a state by that state's regulatory body for interconnected operation in that state prior to the Effective Date of these generator interconnection procedures shall be considered certified under these procedures for use in

that state.

APPENDIX 4 to the GIP

**GENERATOR INTERCONNECTION STUDY PROCESS AGREEMENT
INDEPENDENT STUDY PROCESS**

**APPENDIX 4 to the GIP
GENERATOR INTERCONNECTION STUDY PROCESS AGREEMENT
INDEPENDENT STUDY PROCESS**

THIS INDEPENDENT STUDY PROCESS STUDY AGREEMENT (“AGREEMENT”) is made and entered into this ___ day of 20___ by and between, _____ organized and existing under the laws of the State of _____, (“Interconnection Customer”) and _____ a corporation existing under the laws of the State of _____, (“Distribution Provider”). Interconnection Customer and Distribution Provider each may be referred to as a “Party,” or collectively as the “Parties.”

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Distribution System pursuant to the Independent Study Process; and

WHEREAS, the Interconnection Customer has requested Distribution Provider to perform Interconnection Studies to assess the system impact of interconnecting the Generating Facility to the Distribution System, and any Affected Systems and to specify and estimate the cost of the equipment, engineering, procurement and construction work needed on the Distribution Provider’s electric system to physically and electrically connect the Generating Facility to the Distribution Provider’s Distribution System in accordance with Good Utility Practice;

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 Distribution Provider's FERC approved GIP.
- 2.0 Interconnection Customer elects and Distribution Provider shall cause to be performed Interconnection Studies consistent with the GIP.
- 3.0 The scope of the Interconnection Studies shall be subject to the assumptions set forth in Attachments A and B to this Agreement.
- 4.0 The Interconnection Studies will be based upon the technical information provided by Interconnection Customer in the Interconnection Request, as may be modified as the result of the Scoping Meeting, subject to any modifications in accordance with GIP Section 3.5.8. Distribution Provider reserves the right to

request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Studies. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the Interconnection Studies may be modified as specified in the GIP.

- 5.0 The Interconnection Study report for each Interconnection Study shall provide the information specified in the GIP.
- 6.0 Interconnection Customer shall provide Interconnection Financial Security in accordance with GIP Section 3.11 on or before sixty (60) Calendar Days after being provided with the final Interconnection System Impact Study report.
- 7.0 Upon completion of the Interconnection Studies, Distribution Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Studies.
- 8.0 The Distribution Provider may provide copies of the Interconnection Studies results to the CAISO, an Affected System Operator and the Western Electricity Coordinating Council. Requests for review and input from any Affected System Operators or the Western Electricity Coordinating Council, if applicable, may arrive at any time prior to interconnection.
- 9.0 Substantial portions of technical data and assumptions used to perform the Interconnection Studies, such as system conditions, existing and planned generation, and unit modeling, may change after the Distribution Provider provides the Interconnection Studies results to the Interconnection Customer. Interconnection Studies results will reflect available data at the time the Distribution Provider provides the Interconnection Study reports to the Interconnection Customer. The Distribution Provider shall not be responsible for any additional costs, including, without limitation, costs of new or additional facilities, system upgrades, or schedule changes, that may be incurred by the Interconnection Customer as a result of changes in such data and assumptions.
- 10.0 The Distribution Provider shall maintain records and accounts of all costs incurred in performing the Interconnection Studies in sufficient detail to allow verification of all costs incurred, including associated overheads. The Interconnection Customer shall have the right, upon reasonable notice, within a reasonable time at the Distribution Provider's offices and at its own expense, to audit the Distribution Provider's records as necessary and as appropriate in order to verify costs incurred by the Distribution Provider. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the Distribution Provider, within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the Distribution Provider's notification of the final costs of the Interconnection Studies.

- 11.0 In accordance with Section 1.10 of the GIP, the Interconnection Customer may withdraw its Interconnection Request at any time by written notice to the Distribution Provider. Upon receipt of such notice, this Agreement shall terminate, subject to the requirements of Sections 4.2.1 and 6.5 of the GIP.
- 12.0 This Agreement shall become effective upon the date the fully executed Agreement is received by the Distribution Provider. If the Distribution Provider does not receive the fully executed Agreement pursuant to Section 4.4 of the GIP, then the Interconnection Request will be deemed withdrawn upon the Interconnection Customer's receipt of written notice by the Distribution Provider pursuant to Section 1.10 of the GIP.
- 13.0 Miscellaneous.
- 13.1 Dispute Resolution.
- 13.1.1 Submission. In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with the GIA, the GIP, 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 resolved in accordance with the Dispute Resolution Procedures set forth in Section 9 of the Tariff.
- 13.2 Confidentiality. Confidential Information shall be treated in accordance with Section 6.5 of the GIP.
- 13.3 Binding Effect. This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 13.4 Conflicts. In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 13.5 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and

Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article or Section of this Agreement or such Appendix to this Agreement, or such Section of the GIP or such Appendix to the GIP, as the case may be; (6) “hereunder”, “hereof”, “herein”, “hereto” and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article Section, 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”.

- 13.6 Entire Agreement. This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, any Party’s compliance with its obligations under this Agreement.
- 13.7 No Third Party Beneficiaries. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 13.8 Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, or duty of this Agreement Termination or Default of this Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Distribution Provider. Any waiver of this Agreement shall, if requested, be provided in writing.

- 13.9 Headings. The descriptive headings of the various Articles and Sections of this Agreement have been inserted for convenience of reference only and

are of no significance in the interpretation or construction of this Agreement.

- 13.10 Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 13.11 Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by both of the Parties.
- 13.12 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by both of the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all applicable laws and regulations.
- 13.13 Reservation of Rights. The Distribution Provider shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in this Agreement shall limit the rights of the Parties or of FERC under sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder, except to the extent that the Parties otherwise mutually agree as provided herein.
- 13.14 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.
- 13.15 Assignment. This Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of the other Party, for collateral security purposes to aid in

providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Section will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

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 Distribution Provider or Distribution Owner, if applicable]

By: _____

Printed Name: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Printed Name: _____

Title: _____

Date: _____

By: _____

Printed Name: _____

Title: _____

Date: _____

ATTACHMENT A
Independent Study Process Study Agreement

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

The Interconnection System Impact Study will be based upon the information set forth in the Interconnection Request and agreed upon in the Scoping Meeting held on _____, subject to any modifications in accordance with GIP Section 4.5.7.2, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

Deliverability Status requested (Full Capacity or Energy-Only) _____

ATTACHMENT B
Independent Study Process Study Agreement

**DATA FORM TO BE PROVIDED BY INTERCONNECTION CUSTOMER PRIOR TO
COMMENCEMENT OF THE INTERCONNECTION FACILITIES STUDY**

1. Generating Facility size (MW): _____
2. Provide location plan and simplified one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, transmission circuits, etc.
3. One set of metering is required for each generation connection to the new ring bus or existing Distribution Provider station. Number of generation connections: _____
4. On the one line diagram indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)
5. 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 _____

6. 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)
7. What type of control system or PLC will be located at Interconnection Customer's Generating Facility?

8. What protocol does the control system or PLC use?

9. Please provide a 7.5-minute quadrangle of the site. Sketch the plant, station, transmission line, and property line.
10. Physical dimensions of the proposed interconnection station:

11. Bus length from generation to interconnection station:

12. Line length from interconnection station to Distribution Provider's transmission line:

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

14. Number of third party easements required for transmission lines*:

* To be completed in coordination with Distribution Provider.

15. Is the Generating Facility in the Distribution Provider's service area?

Yes _____ No _____ Local provider: _____

16. Please provide proposed schedule dates:

- Environmental Survey Start Date: _____
- Environmental Impact Report Submittal Date: _____
- Procurement of Project Equipment Date: _____
- Begin Construction Date: _____
- Generator Step-Up Transformer
receives back feed power Date: _____
- Generation Testing Date: _____
- Commercial Operation Date: _____

17. Level of CAISO Grid Deliverability. Choose one of the following:

_____ Energy-Only

_____ Full Capacity

APPENDIX 5 to the GIP

**GENERATOR INTERCONNECTION STUDY PROCESS AGREEMENT
CLUSTER STUDY PROCESS**

APPENDIX 5 to the GIP
GENERATOR INTERCONNECTION STUDY PROCESS AGREEMENT
CLUSTER STUDY PROCESS

THIS CLUSTER STUDY PROCESS STUDY AGREEMENT (“AGREEMENT”) is made and entered into this day of, 20__ by and between_____, organized and existing under the laws of the State of_____, (“Interconnection Customer”) and _____ a corporation existing under the laws of the State of_____, (“Distribution Provider”). Interconnection Customer and Distribution Provider each may be referred to as a “Party,” or collectively as the “Parties.”

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Distribution System pursuant to the Cluster Study Process; and

WHEREAS, the Interconnection Customer has requested Distribution Provider to perform Interconnection Studies to assess the system impact of interconnecting the Generating Facility to the Distribution System, and any Affected Systems and to specify and estimate the cost of the equipment, engineering, procurement and construction work needed on the Distribution Provider’s electric system to physically and electrically connect the Generating Facility to the Distribution Provider’s Distribution System in accordance with Good Utility Practice;

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 Distribution Provider’s FERC-approved GIP.
- 2.0 Interconnection Customer elects and Distribution Provider shall cause to be performed Interconnection Studies consistent with Section 4 of the GIP.
- 3.0 The scope of the Interconnection Studies shall be subject to the assumptions set forth in Attachments A and B to this Agreement.
- 4.0 The Interconnection Studies will be based upon the technical information provided by Interconnection Customer in the Interconnection Request, as may be modified as the result of the Scoping Meeting, subject to any modifications in accordance with GIP Section 4.5.7.2, and modifications to the proposed Commercial Operation Date of the Generating Facility permitted by the GIP. Distribution Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Studies. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the Interconnection Studies may be modified as specified in the GIP.

- 5.0 The Interconnection Study report for each Interconnection Study shall provide the information specified in the GIP.
- 6.0 Interconnection Customer shall provide Interconnection Financial Security in accordance with Section 4.8.2 of the GIP on or before ninety (90) Calendar Days after being provided with the final Phase I Interconnection Study report.
- 7.0 Upon completion of the Interconnection Studies, Distribution Provider shall charge and Interconnection Customer shall pay its pro rata share of the actual costs of the Interconnection Study.
- 8.0 The Distribution Provider may provide copies of the Interconnection Studies results to the CAISO, an Affected System Operator and the Western Electricity Coordinating Council. Requests for review and input from any Affected System Operators or the Western Electricity Coordinating Council may arrive at any time prior to interconnection.
- 9.0 Substantial portions of technical data and assumptions used to perform the Interconnection Studies, such as system conditions, existing and planned generation, and unit modeling, may change after the Distribution Provider provides the Interconnection Studies results to the Interconnection Customer. Interconnection Studies results will reflect available data at the time the Distribution Provider provides the Interconnection Study reports to the Interconnection Customer. The Distribution Provider shall not be responsible for any additional costs, for Distribution Provider's Interconnection Facilities and Distribution Upgrades that may be incurred by the Interconnection Customer as a result of changes in such data and assumptions.
- 10.0 The Distribution Provider shall maintain records and accounts of all costs incurred in performing the Interconnection Study in sufficient detail to allow verification of all costs incurred, including associated overheads. The Interconnection Customer shall have the right, upon reasonable notice, within a reasonable time at the Distribution Provider's offices and at its own expense, to audit the Distribution Provider's records as necessary and as appropriate in order to verify costs incurred by the Distribution Provider. Any audit requested by the Interconnection Customer shall be completed, and written notice of any audit dispute provided to the Distribution Provider, within one hundred eighty (180) Calendar Days following receipt by the Interconnection Customer of the Distribution Provider's notification of the final costs of the Interconnection Studies.
- 11.0 In accordance with Section 1.10 of the GIP, the Interconnection Customer may withdraw its Interconnection Request at any time by written notice to the Distribution Provider. Upon receipt of such notice, this Agreement shall terminate, subject to the requirements of Sections 4.2.1 and 6.5 of the GIP.
- 12.0 This Agreement shall become effective upon the date the fully executed Agreement is received by the Distribution Provider. If the Distribution Provider does not receive the fully executed Agreement pursuant to Section 4.4 of the GIP, then the Interconnection Request will be deemed withdrawn upon the Interconnection Customer's receipt of written notice by the Distribution Provider pursuant to Section 1.10 of the GIP.
- 13.0 Miscellaneous.

13.1 Dispute Resolution.

13.1.1 Submission. In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement 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 the GIP.

13.1.2 External Arbitration Procedures. Any arbitration initiated under this Agreement shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. 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”) and any applicable FERC regulations; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Section 13.1.2 shall prevail.

13.1.3 Arbitration Decisions. Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of the Agreement and shall have no power to modify or change any

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

- 13.1.4 Costs. Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable: (1) the cost of the arbitrator chosen by the Party to sit on the three member panel and one half of the cost of the third arbitrator chosen; or (2) one half the cost of the single arbitrator jointly chosen by the Parties.
- 13.2 Confidentiality. Confidential Information shall be treated in accordance with Section 6.5 of the GIP.
- 13.3 Binding Effect. This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 13.4 Conflicts. In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 13.5 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article or Section of this Agreement or such Appendix to this Agreement, or such Section of the GIP or such Appendix to the GIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Agreement as a whole and not to any

particular Article Section, 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.”

- 13.6 Entire Agreement. This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, any Party’s compliance with its obligations under this Agreement.
- 13.7 No Third Party Beneficiaries. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 13.8 Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.
Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, or duty of this Agreement Termination or Default of this Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer’s legal rights to obtain an interconnection from the Distribution Provider. Any waiver of this Agreement shall, if requested, be provided in writing.
- 13.9 Headings. The descriptive headings of the various Articles and Sections of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 13.10 Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 13.11 Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by both of the Parties.
- 13.12 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by both of the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all applicable laws and regulations.
- 13.13 Reservation of Rights. The Distribution Provider shall have the right to

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

- 13.14 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party.
- 13.15 Assignment. This Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Generating Facility, provided that the Interconnection Customer will require any secured party, trustee or mortgagee to notify the other Party of any such assignment. Any financing arrangement entered into by the Interconnection Customer pursuant to this Section will provide that prior to or upon the exercise of the secured Party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the other Party of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

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 Distribution Provider or Distribution Owner, if applicable]

By: _____

Printed Name: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Printed Name: _____

Title: _____

Date: _____

By: _____

Printed Name: _____

Title: _____

Date: _____

ATTACHMENT A
GENERATOR INTERCONNECTION STUDY PROCESS AGREEMENT
CLUSTER STUDY PROCESS

ASSUMPTIONS USED IN CONDUCTING THE
PHASE I INTERCONNECTION STUDY

The Phase I Interconnection Study will be based upon the information set forth in the Interconnection Request and agreed upon in the Scoping Meeting held on _____, subject to any modifications in accordance with GIP Section 4.5.7.2, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

Deliverability Status requested (Full Capacity or Energy-Only) _____

ATTACHMENT B
**GENERATOR INTERCONNECTION STUDY PROCESS AGREEMENT
CLUSTER STUDY PROCESS**

**DATA FORM TO BE PROVIDED BY INTERCONNECTION CUSTOMER PRIOR TO
COMMENCEMENT OF THE PHASE II INTERCONNECTION STUDY**

1. Generating Facility size (MW): _____
2. Provide location plan and simplified one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, transmission circuits, etc.
3. One set of metering is required for each generation connection to the new ring bus or existing Distribution Provider station. Number of generation connections: _____
4. On the one line diagram indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)
5. 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 _____

6. 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)
7. What type of control system or PLC will be located at Interconnection Customer's Generating Facility?

8. What protocol does the control system or PLC use?

9. Please provide a 7.5-minute quadrangle of the site. Sketch the plant, station, transmission line, and property line.
10. Physical dimensions of the proposed interconnection station:

11. Bus length from generation to interconnection station:

12. Line length from interconnection station to Distribution Provider's transmission line:

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

14. Number of third party easements required for transmission lines*:

* To be completed in coordination with Distribution Provider.

15. Is the Generating Facility in the Distribution Provider's service area?

Yes _____ No _____ Local provider: _____

16. Please provide proposed schedule dates:

- | | |
|---|-------------|
| • Environmental Survey Start | Date: _____ |
| • Environmental Impact Report Submittal | Date: _____ |
| • Procurement of Project Equipment | Date: _____ |
| • Begin Construction | Date: _____ |
| • Generator Step-Up Transformer
receives back feed power | Date: _____ |
| • Generation Testing | Date: _____ |
| • Commercial Operation | Date: _____ |

17. Level of CAISO Grid Deliverability. Choose one of the following:

_____ Energy-Only

_____ Full Capacity

APPENDIX 6 to the GIP

10 kW INVERTER PROCESS

APPENDIX 6 to the GIP
APPLICATION, PROCEDURES, AND TERMS AND CONDITIONS FOR
INTERCONNECTING A CERTIFIED INVERTER-BASED SMALL
GENERATING FACILITY NO LARGER THAN 10 kW ("10 kW INVERTER
PROCESS")

- 1.0 The Interconnection Customer ("Customer") completes the Interconnection Request ("Application") and submits it to the Distribution Provider ("Company").
- 2.0 The Company acknowledges to the Customer receipt of the Application within three Business Days of receipt.
- 3.0 The Company evaluates the Application for completeness and notifies the Customer within ten (10) Business Days of receipt that the Application is or is not complete and, if not, advises what material is missing.
- 4.0 The Company verifies that the Small Generating Facility can be interconnected safely and reliably using the screens contained in the Fast Track Process in the Generator Interconnection Procedures (GIP). The Company has fifteen (15) Business Days to complete this process. Unless the Company determines and demonstrates that the Small Generating Facility cannot be interconnected safely and reliably, the Company approves the Application and returns it to the Customer. Note to Customer: Please check with the Company before submitting the Application if disconnection equipment is required.
- 5.0 After installation, the Customer returns the Certificate of Completion to the Company. Prior to parallel operation, the Company may inspect the Small Generating Facility for compliance with standards which may include a witness test, and may schedule appropriate metering replacement, if necessary.
- 6.0 The Company notifies the Customer in writing that interconnection of the Small Generating Facility is authorized. If the witness test is not satisfactory, the Company has the right to disconnect the Small Generating Facility. The Customer has no right to operate in parallel until a witness test has been performed, or previously waived on the Application. The Company is obligated to complete this witness test within ten (10) Business Days of the receipt of the Certificate of Completion. If the Company does not inspect within ten (10) Business Days or by mutual agreement of the Parties, the witness test is deemed waived.
- 7.0 Contact Information – The Customer must provide the contact information for the legal applicant (i.e., the Interconnection Customer). If another entity is responsible for interfacing with the Company, that contact information must be provided on the Application.
- 8.0 Ownership Information – Enter the legal names of the owner(s) of the Small Generating Facility. Include the percentage ownership (if any) by any utility or public utility holding company, or by any entity owned by either.
- 9.0 UL1741 Listed – This standard ("Inverters, Converters, and Controllers for Use in Independent Power Systems") addresses the electrical interconnection design of various forms of generating equipment. Many manufacturers submit their equipment to a Nationally Recognized Testing Laboratory (NRTL) that verifies compliance with UL1741. This "listing" is then marked on the equipment and supporting documentation.

**Application for Interconnecting a Certified Inverter-Based Small Generating Facility
No Larger than 10kW**

This Application is considered complete when it provides all applicable and correct information required below. Additional information to evaluate the Application may be required. Documentation of Site Exclusivity must be submitted with the Interconnection Request in accordance with Section 2.4 of the GIP.

Processing Fee

A non-refundable processing fee of \$100 must accompany this Application.

Interconnection Customer

Name: _____

Contact Person: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

Contact (if different from Interconnection Customer)

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

Owner of the facility (include % ownership by any electric utility): _____

Small Generating Facility Information

Location (if different from above): _____

Electric Service Company: _____

Account Number: _____

Inverter Manufacturer: _____ Model _____

Nameplate Rating: _____ (kW) _____ (kVA) _____ (AC Volts)

Single Phase _____ Three Phase _____

System Design Capacity: _____ (kW) _____ (kVA)

Prime Mover: Photovoltaic ☐

Reciprocating Engine ☐

Fuel Cell ☐

Turbine ☐

Other _____

Energy Source: Solar ☐ Wind ☐ Hydro ☐ Diesel ☐

Natural Gas ☐ Fuel Oil ☐ Other (describe) _____

Is the equipment UL1741 Listed? Yes ___ No ___

If Yes, attach manufacturer's cut-sheet showing UL1741 listing.

Estimated Installation Date: _____ Estimated In-Service Date: _____

The 10 kW Inverter Process is available only for inverter-based Small Generating Facilities no larger than 10 kW that meet the codes, standards, and certification requirements of Appendices 2 and 3 of the Small Generator Interconnection Procedures (GIP), or the Company has reviewed the design or tested the proposed Small Generating Facility and is satisfied that it is safe to operate.

List components of the Small Generating Facility equipment package that are currently certified:

Equipment Type	Certifying Entity
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____

Interconnection Customer Signature

I hereby certify that, to the best of my knowledge, the information provided in this Application is true. I agree to abide by the Terms and Conditions for Interconnecting an Inverter-Based Small Generating Facility No Larger than 10kW and return the Certificate of Completion when the Small Generating Facility has been installed.

Signed: _____

By: _____

Title: _____

Date: _____

Approval to Interconnect the Small Generating Facility

(For Company use only)

Interconnection of the Small Generating Facility is approved contingent upon the Terms and Conditions for Interconnecting an Inverter-Based Small Generating Facility No Larger than 10kW and return of the Certificate of Completion.

Signed: _____

By: _____

Title: _____

Date: _____

Application ID number: _____

Company waives inspection/witness test? Yes___No___

Small Generating Facility Certificate of Completion

Is the Small Generating Facility owner-installed? Yes _____ No _____

Interconnection Customer: _____

Contact Person: _____

Address: _____

Location of the Small Generating Facility (if different from above):

City: _____ State: _____ Zip Code: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

Electrician:

Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

License number: _____

Date Approval to Install Facility granted by the Company: _____

Application ID number: _____

Inspection:

The Small Generating Facility has been installed and inspected in compliance with the local building/electrical code of _____

Signed (Local electrical wiring inspector, or attach signed electrical inspection):

Print Name: _____

Date: _____

As a condition of interconnection, you are required to send/fax a copy of this form along with a copy of the signed electrical permit to (insert Company information below):

Name: _____

Company: _____

Address: _____

City, State ZIP: _____

Fax: _____

Approval to Energize the Small Generating Facility

(For Company use only)

Energizing the Small Generating Facility is approved contingent upon the Terms and Conditions for Interconnecting an Inverter-Based Small Generating Facility No Larger than 10kW

Signed: _____

By: _____

Title: _____

Date: _____

Terms and Conditions for Interconnecting an Inverter-Based Small Generating Facility No Larger than 10kW

1.0 Construction of the Facility

The Interconnection Customer (the “Customer”) may proceed to construct (including operational testing not to exceed two hours) the Small Generating Facility when the Distribution Provider (the “Company”) approves the Interconnection Request (the “Application”) and returns it to the Customer.

2.0 Interconnection and Operation

The Customer may operate Small Generating Facility and interconnect with the Company’s electric system once all of the following have occurred:

- 2.1 Upon completing construction, the Customer will cause the Small Generating Facility to be inspected or otherwise certified by the appropriate local electrical wiring inspector with jurisdiction, and
- 2.2 The Customer returns the Certificate of Completion to the Company, and
- 2.3 The Company has either:
 - 2.3.1 Completed its inspection of the Small Generating Facility to ensure that all equipment has been appropriately installed and that all electrical connections have been made in accordance with applicable codes. All inspections must be conducted by the Company, at its own expense, within ten (10) Business Days after receipt of the Certificate of Completion and shall take place at a time agreeable to the Parties. The Company shall provide a written statement that the Small Generating Facility has passed inspection or shall notify the Customer of what steps it must take to pass inspection as soon as practicable after the inspection takes place; or
 - 2.3.2 If the Company does not schedule an inspection of the Small Generating Facility within ten (10) Business Days after receiving the Certificate of Completion, the witness test is deemed waived (unless the Parties agree otherwise); or
 - 2.3.3 The Company waives the right to inspect the Small Generating Facility.
- 2.4 The Company has the right to disconnect the Small Generating Facility in the event of improper installation or failure to return the Certificate of Completion.
- 2.5 Revenue quality Metering Equipment must be installed and tested in accordance with applicable ANSI standards.

3.0 Safe Operations and Maintenance

The Customer shall be fully responsible to operate, maintain, and repair the Small Generating Facility as required to ensure that it complies at all times with the interconnection standards to which it has been certified.

4.0 Access

The Company shall have access to the disconnect switch (if the disconnect switch is required) and Metering Equipment of the Small Generating Facility at all times. The Company shall provide reasonable notice to the Customer when possible prior to using its right of access.

5.0 Disconnection

The Company may temporarily disconnect the Small Generating Facility upon the

following conditions:

- 5.1 For scheduled outages upon reasonable notice.
- 5.2 For unscheduled outages or Emergency Conditions.
- 5.3 If the Small Generating Facility does not operate in the manner consistent with these Terms and Conditions.
- 5.4 The Company shall inform the Customer in advance of any scheduled disconnection, or as is reasonable after an unscheduled disconnection.
- 5.5 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 Distribution Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to Distribution Provider's Distribution System, Distribution Provider's Interconnection Facilities or the electric systems of others to which the Distribution Provider's Distribution System is directly connected; or (3) that, in the case of Interconnection Customer, is imminently likely (as determined in a nondiscriminatory 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 GIA to possess black start capability.

6.0 Indemnification

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

7.0 Insurance

The Parties agree to follow all applicable insurance requirements imposed by the state in which the Point of Interconnection is located. All insurance policies must be maintained with insurers authorized to do business in that state.

8.0 Limitation of Liability

Each Party's liability to the other party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, incidental, special, consequential, or punitive damages of any kind whatsoever, except as allowed under paragraph 6.0 above.

9.0 Termination

The agreement to operate in parallel may be terminated under the following conditions:

9.1 By the Customer

By providing written notice to the Company.

9.2 By the Company

If the Small Generating Facility fails to operate for any consecutive twelve

(12) month period or the Customer fails to remedy a violation of these Terms and Conditions.

9.3 Permanent Disconnection

In the event this Agreement is terminated, the Company shall have the right to disconnect its facilities or direct the Customer to disconnect its Small Generating Facility.

9.4 Survival Rights

This Agreement shall continue in effect after termination to the extent necessary to allow or require either Party to fulfill rights or obligations that arose under the Agreement.

10.0 Assignment/Transfer of Ownership of the Facility

This Agreement shall survive the transfer of ownership of the Small Generating Facility to a new owner when the new owner agrees in writing to comply with the terms of this Agreement and so notifies the Company.

APPENDIX 7 to the GIP

INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT

**APPENDIX 7 to the GIP
INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT**

THIS AGREEMENT is made and entered into this ____ day of 20 by and between _____, a _____ organized and existing under the laws of the State of _____, (“Interconnection Customer”) and San Diego Gas & Electric Company, a corporation existing under the laws of the State of California, (“Distribution Provider”). Interconnection Customer and Distribution Provider each may be referred to as a “Party,” or collectively as the “Parties.”

RECITALS

WHEREAS, the Interconnection Customer is proposing to develop a Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request completed by the Interconnection Customer on ____; and

WHEREAS, the Interconnection Customer desires to interconnect the Generating Facility with the Distribution Provider’s Distribution System;

WHEREAS, the Interconnection Customer has requested the Distribution Provider to perform an Interconnection System Impact Study(ies) to assess the impact of interconnecting the Generating Facility with the Distribution Provider’s Distribution 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 or the meanings specified in Distribution Provider’s FERC-approved GIP.
- 2.0 The Interconnection Customer elects and the Distribution Provider shall cause to be performed an Interconnection System Impact Study(ies) consistent with the standard Generator Interconnection Procedures in accordance with the Wholesale Distribution Open Access Tariff.
- 3.0 The scope of an Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 An Interconnection System Impact Study will be based upon the technical information provided by Interconnection Customer in the Interconnection Request. The Distribution Provider reserves the right to request additional technical information from the Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection System Impact Study. If the Interconnection Customer modifies its designated Point of Interconnection,

Interconnection Request, or the technical information provided therein is modified, the time to complete the Interconnection System Impact Study may be extended.

- 5.0 An Interconnection System Impact Study may consist of a short circuit analysis, a stability analysis, a power flow analysis, voltage drop and flicker studies, protection and set point coordination studies, and grounding reviews, as necessary. An Interconnection System Impact Study shall state the assumptions upon which it is based, state the results of the analyses, and provide the requirement 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. An Interconnection System Impact Study may provide a list of facilities that are required as a result of the Interconnection Request and non-binding good faith estimates of cost responsibility and time to construct.
- 6.0 An Interconnection System Impact Study may incorporate a distribution load flow study, an analysis of equipment interrupting ratings, protection coordination study, voltage drop and flicker studies, protection and set point coordination studies, grounding reviews, and the impact on electric system operation, as necessary.
- 7.0 Affected Systems may participate in the preparation of an Interconnection System Impact Study, with a division of costs among such entities as they may agree. All Affected Systems shall be afforded an opportunity to review and comment upon an Interconnection System Impact Study that covers potential Adverse System Impacts on their electric systems, and the Distribution Provider has twenty (20) additional Business Days to complete an Interconnection System Impact Study requiring review by Affected Systems.
- 8.0 If the Distribution Provider uses a queuing procedure for sorting or prioritizing projects and their associated cost responsibilities for any required Distribution Upgrades and Network Upgrades, the Interconnection System Impact Study shall consider all generating facilities (and with respect to paragraph 8.3 below, any identified Upgrades associated with such higher queued interconnection) that, on the date the Interconnection System Impact Study is commenced:
 - 8.1 Are directly interconnected with the Distribution Provider's electric system; or
 - 8.2 Are interconnected with Affected Systems and may have an impact on the proposed interconnection; and
 - 8.3 Have a pending higher queued Interconnection Request to interconnect with the Distribution Provider's electric system.
- 9.0 An Interconnection System Impact Study, if required, shall be completed and the results transmitted to the Interconnection Customer within sixty (60) Business Days after this Agreement is signed by the Parties, or in accordance with the Distribution Provider's queuing procedures.

- 10.0 A deposit of the equivalent of the good faith estimated cost of an Interconnection System Impact Study may be required from the Interconnection Customer.
- 11.0 Any study fees shall be based on the Distribution Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.
- 12.0 The Interconnection Customer must pay any study costs that exceed the deposit with interest within thirty (30) Calendar Days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Distribution Provider shall refund such excess within thirty (30) Calendar Days of the invoice with interest.

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.

San Diego Gas & Electric Company

[Insert name of Interconnection Customer]

Signed _____

Signed _____

Name (Printed):

Name (Printed):

Title _____

Title _____

Project Name _____

Project Queue _____

**ATTACHMENT A
TO INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT**

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

The Interconnection System Impact Study shall be based upon the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with the standard Generator Interconnection Procedures, and the following assumptions:

1) Designation of Point of Interconnection and configuration to be studied.

2) Designation of alternative Points of Interconnection and configuration.

1) and 2) above are to be completed by the Interconnection Customer. Other assumptions (listed below) are to be provided by the Interconnection Customer and the Distribution Provider.

APPENDIX 8 to the GIP

INTERCONNECTION FACILITIES STUDY AGREEMENT

**APPENDIX 8 to the GIP
INTERCONNECTION FACILITIES STUDY AGREEMENT**

THIS AGREEMENT is made and entered into this ____ day of 20 by and between _____, a _____ organized and existing under the laws of the State of _____, (“Interconnection Customer”) and San Diego Gas & Electric Company, a corporation existing under the laws of the State of California, (“Distribution Provider”). Interconnection Customer and Distribution Provider each may be referred to as a “Party,” or collectively as the “Parties.”

RECITALS

WHEREAS, the Interconnection Customer is proposing to develop a Generating Facility or generating capacity addition to an existing Generating Facility consistent with the Interconnection Request completed by the Interconnection Customer on _____; and

WHEREAS, the Interconnection Customer desires to interconnect the Generating Facility with the Distribution Provider’s Distribution System;

WHEREAS, the Distribution Provider has completed an Interconnection System Impact Study and provided the results of said study to the Interconnection Customer; and

WHEREAS, the Interconnection Customer has requested the Distribution Provider to perform an Interconnection Facilities Study a facilities study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility with the Distribution Provider’s Distribution 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 or the meanings specified in Distribution Provider’s FERC-approved GIP.
- 2.0 The Interconnection Customer elects and the Distribution Provider shall cause an Interconnection Facilities Study a facilities study consistent with the standard Generator Interconnection Procedures to be performed in accordance with the Wholesale Distribution Open Access Tariff.
- 3.0 The scope of the Interconnection Facilities Study shall be subject to data provided in Attachment A to this Agreement.
- 4.0 The Interconnection Facilities Study shall specify and estimate the cost of the equipment,

engineering, procurement and construction work (including overheads) needed to implement the conclusions of the Interconnection System Impact Study(s). The Interconnection Facilities Study shall also identify (1) the electrical switching configuration of the equipment, including, without limitation, transformer, switchgear, meters, and other station equipment, (2) the nature and estimated cost of the Distribution Provider's Interconnection Facilities and Upgrades necessary to accomplish the interconnection, and (3) an estimate of the time required to complete the construction and installation of such facilities.

- 5.0 The Distribution Provider may propose to group facilities required for more than one Interconnection Customer in order to minimize facilities costs through economies of scale, but any Interconnection Customer may require the installation of facilities required for its own Generating Facility if it is willing to pay the costs of those facilities.
- 6.0 A deposit of the good faith estimated Interconnection Facilities Study costs may be required from the Interconnection Customer.
- 7.0 In cases where Upgrades are required, the Interconnection Facilities Study must be completed within sixty (60) Business Days of the receipt of this Agreement. In cases where no Upgrades are necessary, and the required facilities are limited to Interconnection Facilities, the Interconnection Facilities Study report must be completed within forty-five (45) Business Days.
- 8.0 Once the Interconnection Facilities Study is completed, an Interconnection Facilities Study report shall be prepared and transmitted to the Interconnection Customer. Barring unusual circumstances, the Interconnection Facilities Study must be completed and the Interconnection Facilities Study report transmitted within sixty (60) Business Days of the Interconnection Customer's agreement to conduct an Interconnection Facilities Study.
- 9.0 Interconnection Customer may, within thirty (30) Calendar Days after receipt of the draft report, provide written comments to Distribution Provider, which Distribution Provider shall include in the final report. Distribution 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. Distribution Provider may reasonably extend such fifteen-day period upon notice to Interconnection Customer if Interconnection Customer's comments require Distribution Provider to perform additional analyses or make other significant modifications prior to the issuance of the final Interconnection Facilities Report. Upon request, Distribution Provider shall provide Interconnection Customer supporting documentation, workpapers, and databases or data developed in the preparation of the Interconnection Facilities Study, subject to confidentiality arrangements consistent with Section 3.6 of the Generator Interconnection Procedures.
- 10.0 Within ten (10) Business Days of providing a draft Interconnection Facilities Study report to Interconnection Customer, Distribution Provider and Interconnection Customer shall

meet to discuss the results of the Interconnection Facilities Study.

11.0 Any study fees shall be based on the Distribution Provider's actual costs and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

12.0 The Interconnection Customer must pay any study costs that exceed the deposit with interest within thirty (30) Calendar Days on receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced fees, the Distribution Provider shall refund such excess within thirty (30) Calendar Days of the invoice with interest.

13.0 Governing Law, Regulatory Authority, and Rules

The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of _____ (where the Point of Interconnection is located), without regard to its conflicts of law principles. This Agreement is subject to all Applicable Laws and Regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

14.0 Amendment

The Parties may amend this Agreement by a written instrument duly executed by both Parties.

15.0 No Third-Party Beneficiaries

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

16.0 Waiver

16.1 The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

16.2 Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or default of this Agreement for any reason by Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from the Distribution Provider. Any waiver of this Agreement shall, if requested, be provided in writing.

17.0 Multiple Counterparts

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

18.0 No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

19.0 Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental Authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

20.0 Subcontractors

Nothing in this Agreement shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Agreement; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and each Party shall remain primarily liable to the other Party for the performance of such subcontractor.

20.1 The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. The hiring Party shall be fully responsible to the other 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 the Distribution Provider be liable for the actions or inactions of the Interconnection Customer or its subcontractors with respect to obligations of the Interconnection Customer under this Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

20.2 The obligations under this article will not be limited in any way by any limitation of subcontractor's insurance.

21.0 Reservation of Rights

The Distribution Provider shall have the right to make a unilateral filing with FERC to modify this Agreement with respect to any rates, terms and conditions, charges, classifications of service, rule or regulation under section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and the Interconnection Customer shall have the right to make a unilateral filing with FERC to modify this Agreement under any applicable provision of the Federal Power Act and FERC's rules and regulations; 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 FERC in which such modifications.

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.

San Diego Gas & Electric Company

[Insert name of Interconnection Customer]

Signed _____

Signed _____

Name (Printed):

Name (Printed):

Title _____

Title _____

Project Name _____

Project Queue _____

**ATTACHMENT A
TO INTERCONNECTION FACILITIES STUDY AGREEMENT**

**Data to Be Provided by the Interconnection Customer
with the Interconnection Facilities Study Agreement**

1. Provide location plan and simplified one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, distribution circuits, etc.
2. On the one-line diagram, indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)
3. On the one-line diagram, indicate the location of auxiliary power. (Minimum load on CT/PT) Amps
4. One set of metering is required for each generation connection to the new ring bus or existing Distribution Provider station. Number of generation connections: _____

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

Yes ____ No ____

5. 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 the one-line diagram).

6. Physical dimensions of the proposed interconnection station:
7. Bus length from generation to interconnection station:
8. Line length from interconnection station to Distribution Provider's Distribution System.
9. Tower number observed in the field. (Painted on tower leg):**
10. Number of third party easements required for distribution lines:*

*To be completed in coordination with Distribution Provider.

11. Is the Generating Facility located in Distribution Provider's service area?

Yes ____ No ____ If No, please provide name of local provider:

12. Please provide the following proposed schedule dates:

Begin Construction

Date: _____

Generator step-up transformers
receive back feed power

Date: _____

Generation Testing

Date: _____

Commercial Operation

Date: _____

