Attachment II

~~**Appendix E to the Small**~~
~~**Generator Interconnection Final Rule**~~

SMALL GENERATOR INTERCONNECTION PROCEDURES (SGIP)

(~~For~~Applicable To Generating Facilities No Larger Than 20 MW)

TABLE OF CONTENTS

Section 1. Application

1.1 Applicability

1.1.1 ~~A~~These Small Generator Interconnection Procedures ("SGIP") apply to interconnections of Small Generating Facilities to the New York State Transmission System, and interconnections to the Distribution System subject to Federal Energy Regulatory Commission jurisdiction. These procedures do not apply to interconnections made simply to receive power from the New York State Transmission System and/or the Distribution System, nor to interconnections made solely for the purpose of generation with no wholesale sale for resale nor to net metering. These procedures do not apply to interconnections to LIPA's distribution facilities. LIPA will continue to administer the interconnection process for generators connecting to its distribution facilities under its own tariffs and procedures. Under these procedures, a request to interconnect a certified Small Generating Facility (See ~~Attachments~~Appendices 3 and 4 for description of certification criteria) no larger than 2 MW shall be evaluated under the ~~section~~Section 2 Fast Track Process. A request to interconnect a certified inverter-based Small Generating Facility no larger than 10 kW shall be evaluated under the ~~Attachment~~Appendix 5 10 kW Inverter Process. A request to interconnect a Small Generating Facility larger than 2 MW but no larger than 20 MW or a Small Generating Facility that does not pass the Fast Track Process or the 10 kW Inverter Process, shall be evaluated under the ~~section~~Section 3 Study Process.

1.1.2 Capitalized terms used herein shall have the meanings specified in the Glossary of Terms in ~~Attachment~~ Appendix I or the body of these procedures. Capitalized terms used herein that are not defined in the Glossary of Terms in Appendix I or in the body of these procedures shall have the meanings specified in Section 1.0 or Attachment S or Attachment X of the NYISO OATT.

1.1.3 Neither these procedures nor the requirements included hereunder apply to Small Generating Facilities interconnected or approved for interconnection prior to 60 Business Days after the effective date of these procedures, provided, however, that requests to interconnect Small Generating Facilities submitted after that effective date must be made pursuant to these procedures. These procedures shall apply to any existing interconnected Small Generating Facility to the extent that there is a material modification to the facility or the interconnection facility, if that facility as modified remains a Small Generating Facility.

1.1.4 Prior to submitting its Interconnection Request (~~Attachment~~ Appendix 2), the Interconnection Customer may ask the ~~Transmission Provider~~NYISO's interconnection contact employee or office whether the proposed interconnection is subject to these procedures. The NYISO, after consultation with the Transmission ~~Provider~~Owner, shall respond within 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 Federal Energy Regulatory Commission expects all ISOs and RTOs, Transmission ~~Providers, market participants~~Owners, 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 an interconnection agreement are to the Small Generator Interconnection Agreement (SGIA).

1.1.7 Deliverability standards, if any, for Small Generating Facilities shall be determined in FERC Docket Nos. ER04-449-003, ER04-449-007 and ER04-449-008.

1.2 Pre-Application

The ~~Transmission Provider~~NYISO 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 ~~Transmission Provider~~NYISO's Internet web site. Electric system information provided to the Interconnection Customer should include relevant system studies, ~~interconnection studies~~Interconnection Studies, and other materials useful to an understanding of an interconnection at a particular point on the New York State Transmission ~~Provider's Transmission~~System or Distribution System, to the extent such provision does not violate confidentiality provisions of prior agreements or critical infrastructure requirements. The ~~Transmission Provider~~NYISO shall refer requests for information about distribution facilities to the appropriate Transmission Owner, and that Transmission Owner will be responsible for responding to the Interconnection Customers. The NYISO and Transmission Owners shall comply with reasonable requests for ~~such~~ information pursuant to this Section 1.2.

1.3 Interconnection Request

The Interconnection Customer shall submit its Interconnection Request to the NYISO, and a copy directly to the Transmission ~~Provider, together with the~~Owner. The processing fee or deposit specified in the Interconnection Request shall be submitted to the Transmission Owner for interconnections to the Distribution System, and to the NYISO for interconnections to the New York State Transmission System.. The Interconnection Request shall be date- and time-stamped by the NYISO upon receipt. The ~~original~~NYISO's 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 of receipt by the ~~Transmission Provider~~NYISO within three Business Days of receiving the Interconnection Request. The NYISO, after consulting with the Transmission ~~Provider~~Owner, shall notify the Interconnection Customer within ten Business Days of the receipt of the Interconnection Request as to whether the Interconnection Request is complete or incomplete. If the Interconnection Request is incomplete, the ~~Transmission Provider~~NYISO shall provide along with the notice that the Interconnection Request is incomplete, a written list detailing all information that must be provided to complete the Interconnection Request. The Interconnection Customer will have ten Business Days after receipt of the notice to submit the listed information or to request an extension of time to provide such information. If the Interconnection Customer does not provide the listed information or a request for an extension of time within the deadline, the Interconnection Request will be deemed withdrawn. An Interconnection Request will be deemed complete upon submission of the listed information to the ~~Transmission Provider~~NYISO.

1.3.1 If the Interconnection Request is to interconnect to a distribution facility, the NYISO and the Transmission Owner will determine whether the SGIPs apply.

1.4 Modification of the Interconnection Request

Any modification to machine data or equipment configuration or to the interconnection site of the Small Generating Facility not agreed to in writing by the NYISO, the Transmission ~~Provider~~Owner, and the Interconnection Customer ~~may~~shall be deemed a withdrawal of the Interconnection Request and ~~may~~shall require submission of a new Interconnection Request, unless ~~proper~~, following notification ~~of each Party by the other and a reasonable time to cure~~by the NYISO and Transmission Owner, the Interconnection Customer cures the problems created by the changes ~~are undertaken~~in a reasonable period of time.

1.5 Site Control

Documentation of site control must be submitted with the Interconnection Request. Site control 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 Small Generating Facility;

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

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.

1.6 Queue Position

The ~~Transmission Provider~~NYISO shall assign a Queue Position based upon the date- and time-stamp of the Interconnection Request. The Queue Position of each Interconnection Request will be used to determine the ~~cost responsibility for the Upgrades~~order of initiating Interconnection Studies, and the study assumptions to be used

in the analyses conducted under Section 2 and Section 3 of these procedures. Provided, however, Attachment S of the NYISO OATT will be used to determine the cost responsibility for any System Upgrade Facilities necessary to accommodate the interconnection. The ~~Transmission Provider~~NYISO shall maintain a single ~~queue per geographic region. At the Transmission Provider's option,~~ interconnection queue that combines Interconnection Requests evaluated under these procedures and those evaluated under Attachment X to the OATT. Interconnection Requests may be studied serially or in clusters for the purpose of the system impact study.

1.7 Interconnection Requests Submitted Prior to the Effective Date of the SGIP

~~Nothing in this SGIP affects an~~Upon the request of the Interconnection Customer~~'s Queue Position assigned before the effective date of this SGIP~~, made within 60 Business Days after the effective date of these procedures, the NYISO will assign a Queue Position to interconnection requests submitted to Transmission Owners prior to the effective date of the SGIP if an interconnection agreement for the Small Generator Facility has not been filed with the Commission within 60 Business Days of the effective date of the SGIP. The NYISO will base such assignment of Queue Position on the date and time of the original interconnection request submitted to the Transmission Owner. The Parties agree to complete work on any interconnection study agreement executed prior the effective date of this SGIP in accordance with the terms and conditions of that interconnection study agreement. Any new studies or other additional work will be completed pursuant to this SGIP beginning 60 Business Days after the effective date of this SGIP.

Section 2. Fast Track Process

2.1 Applicability

The Fast Track Process is available to an Interconnection Customer proposing to interconnect its Small Generating Facility with ~~the~~a Transmission ~~Provider's Transmission~~Owner's Distribution System if the Small Generating Facility is no larger than 2 MW and if the Interconnection Customer's proposed Small Generating Facility meets the codes, standards, and certification requirements of ~~Attachments~~Appendices 3 and 4 of these procedures, or the Transmission ~~Provider~~Owner, in consultation with the NYISO, has reviewed the design or tested the proposed Small Generating Facility and is satisfied that it is safe to operate.

2.2 Initial Review

Within 15 Business Days after the ~~Transmission Provider~~NYISO notifies the Interconnection Customer it has received a complete Interconnection Request, the Transmission ~~Provider~~Owner shall perform an initial review using the screens set forth below, shall notify the NYISO and the Interconnection Customer of the results, and include with the notification copies of the analysis and data underlying the Transmission ~~Provider~~Owner's determinations under the screens.

2.2.1 Screens

2.2.1.1. The proposed Small Generating Facility's Point of Interconnection must be on a portion of the Transmission ~~Provider~~Owner's Distribution System ~~that is subject to the Tariff~~.

2.2.1.2. For interconnection of a proposed Small Generating Facility to a radial distribution circuit, the aggregated generation, including the proposed Small Generating Facility, on the circuit shall not exceed 15 % of the line section annual peak load as most recently measured at the substation. A line section is that portion of a Transmission ~~Provider~~Owner's electric system connected to a customer bounded by automatic sectionalizing devices or the end of the distribution line.

2.2.1.3. For interconnection of a proposed Small Generating Facility to the load side of spot network protectors, the proposed Small Generating Facility must utilize an inverter-based equipment package and, together with the aggregated other inverter-based generation, shall not exceed the smaller of 5 % of a spot network's maximum load or 50 kW[1].

2.2.1.4. The proposed Small Generating Facility, in aggregation with other generation on the distribution circuit, shall not contribute more than 10 % to the distribution circuit's maximum fault current at the point on the high voltage (primary) level nearest the proposed point of change of ownership.

2.2.1.5. The proposed Small Generating Facility, in aggregate with other generation on the distribution circuit, shall not cause any distribution protective devices and equipment (including, but not limited to, substation breakers, fuse cutouts, and line reclosers), or Interconnection Customer equipment on the system to exceed 87.5 % of the short circuit interrupting capability; nor shall the interconnection be proposed for a circuit that already exceeds 87.5 % of the short circuit interrupting capability.

2.2.1.6. Using the table below, determine the type of interconnection to a primary distribution line. This screen includes a review of the type of electrical service provided to the Interconnecting Customer, including line configuration and the transformer connection to limit the potential for creating over-voltages on the Transmission ~~Provider~~Owner's

[1] A spot ~~Network~~network is a type of ~~distribution system~~Distribution System found within modern commercial buildings to provide high reliability of service to a single customer. (Standard Handbook for Electrical Engineers, 11th edition, Donald Fink, McGraw Hill Book Company)

electric power system due to a loss of ground during the operating time of any anti-islanding function.

Primary Distribution Line Type	**Type of Interconnection to Primary Distribution Line**	**Result/Criteria**
Three-phase, three wire	3-phase or single phase, phase-to-phase	Pass screen
Three-phase, four wire	Effectively-grounded 3 phase or Single-phase, line-to-neutral	Pass screen

2.2.1.7. If the proposed Small Generating Facility is to be interconnected on single-phase shared secondary, the aggregate generation capacity on the shared secondary, including the proposed Small Generating Facility, shall not exceed 20 kW.

2.2.1.8. If the proposed Small Generating Facility is single-phase and is to be interconnected on a center tap neutral of a 240 volt service, its addition shall not create an imbalance between the two sides of the 240 volt service of more than 20% of the nameplate rating of the service transformer.

2.2.1.9. The Small Generating Facility, in aggregate with other generation interconnected to the transmission side of a substation transformer feeding the circuit where the Small Generating Facility proposes to interconnect shall not exceed 10 MW in an area where there are known, or posted, transient stability limitations to generating units located in the general electrical vicinity (e.g., three or four transmission busses from the point of interconnection).

2.2.1.10. No construction of facilities by the Transmission ~~Provider~~Owner on its own system shall be required to accommodate the Small Generating Facility.

2.2.2 If the proposed interconnection passes the screens, the Interconnection Request shall be approved and the Transmission ~~Provider~~Owner will provide the Interconnection Customer an executable interconnection agreement within five Business Days after the determination.

2.2.3 If the proposed interconnection fails the screens, but the Transmission ~~Provider~~Owner, with the approval of the NYISO, determines that the Small Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards, the Transmission ~~Provider~~Owner shall provide the Interconnection Customer an executable interconnection agreement within five Business Days after the determination. To the extent appropriate, the

NYISO shall notify any Affected System or transmission owner prior to the determination to allow for potential input by the Affected System or transmission owner. For purposes of this section, Affected System may include the portions of the New York State Transmission System that may be potentially affected.

2.2.4 If the proposed interconnection fails the screens, but the Transmission ~~Provider~~Owner does not or cannot determine from the initial review that the Small Generating Facility may nevertheless be interconnected consistent with safety, reliability, and power quality standards unless the Interconnection Customer is willing to consider ~~minor modifications~~Minor Modifications or further study, the Transmission ~~Provider~~Owner shall provide the Interconnection Customer with the opportunity to attend a customer options meeting.

2.3 Customer Options Meeting

If the Transmission ~~Provider~~Owner determines the Interconnection Request cannot be approved without ~~minor modifications~~Minor Modifications at minimal cost; or a supplemental study or other additional studies or actions; or at significant cost to address safety, reliability, or power quality problems, within the five Business Day period after the determination, the Transmission ~~Provider~~Owner shall notify the Interconnection Customer and provide copies of all data and analyses underlying its conclusion. Within ten Business Days of the Transmission ~~Provider~~Owner's determination, the Transmission ~~Provider~~Owner shall offer to convene a customer options meeting with the ~~Transmission Provider~~Interconnection Customer and the NYISO to review possible Interconnection Customer facility modifications or the screen analysis and related results, to determine what further steps are needed to permit the Small Generating Facility to be connected safely and reliably. At the time of notification of the Transmission ~~Provider~~Owner's determination, or at the customer options meeting, the interconnecting Transmission ~~Provider~~Owner shall:

2.3.1 Offer to perform facility modifications or minor modifications to the Transmission ~~Provider~~Owner's electric system (e.g., changing meters, fuses, relay settings) and provide a non-binding good faith estimate of the limited cost to make such modifications to the Transmission ~~Provider~~Owner's electric system; or

2.3.2 Offer to perform a supplemental review if the Transmission ~~Provider~~Owner concludes that the supplemental review might determine that the Small Generating Facility could continue to qualify for interconnection pursuant to the Fast Track Process, and provide a non-binding good faith estimate of the costs of such review; or

2.3.3 ~~Obtain the Interconnection Customer's agreement~~Offer to continue evaluating the Interconnection Request under the ~~section~~Section 3 Study Process.

2.4 Supplemental Review

If the Interconnection Customer agrees to a supplemental review, the Interconnection Customer shall agree in writing within 15 Business Days of the offer, and submit a

deposit to the Transmission Owner for the estimated costs. The Interconnection Customer shall be responsible for the Transmission ~~Provider~~Owner's actual costs for conducting the supplemental review. The Interconnection Customer must pay any review costs that exceed the deposit within 20 Business Days of receipt of the invoice or resolution of any dispute. If the deposit exceeds the invoiced costs, the Transmission ~~Provider~~Owner will return such excess within 20 Business Days of the invoice without interest.

2.4.1 Within ten Business Days following receipt of the deposit for a supplemental review, the Transmission ~~Provider~~Owner will determine if the Small Generating Facility can be interconnected safely and reliably.

2.4.1.1. If so, the Transmission ~~Provider~~Owner shall forward an executable ~~an~~ interconnection agreement to the Interconnection Customer within five Business Days.

2.4.1.2. If so, and Interconnection Customer facility modifications are required to allow the Small Generating Facility to be interconnected consistent with safety, reliability, and power quality standards under these procedures, the Transmission ~~Provider~~Owner shall forward an executable interconnection agreement to the Interconnection Customer within five Business Days after receiving written confirmation that the Interconnection Customer has agreed to make the necessary changes at the Interconnection Customer's cost. The Interconnection Customer shall provide such written confirmation to the Transmission Owner within 30 Business Days of receiving notice that such modifications are required.

2.4.1.3. If so, and minor modifications to the Transmission ~~Provider~~Owner's electric system are required to allow the Small Generating Facility to be interconnected consistent with safety, reliability, and power quality standards under the Fast Track Process, the Transmission ~~Provider~~Owner shall forward an executable interconnection agreement to the Interconnection Customer within ten Business Days that requires the Interconnection Customer to pay the costs of such system modifications prior to interconnection.

2.4.1.4. If not, the Interconnection Request will continue to be evaluated under the ~~section~~Section 3 Study Process.

2.4.1.5. The Transmission Owner and NYISO shall not be obligated to execute an interconnection agreement with the Interconnection Customer, nor shall they be obligated to conduct Interconnection Studies for that Interconnection Customer under Section 3 of these procedures until the Interconnection Customer has fully reimbursed them for their Supplemental Review costs.

2.4.2 If a Supplemental Review conducted in accordance with this Section 2.4 evaluates transmission system impacts, that review shall utilize the assumptions described in Section 3.1.3 of these procedures.

Section 3. Study Process

3.1 ~~Applicability~~General Provisions

3.1.1 ~~The~~Except as otherwise provided in the SGIPs, the Section 3 Study Process shall be used by an Interconnection Customer proposing to interconnect its Small Generating Facility with the New York State Transmission ~~Provider's Transmission~~System or Distribution System if the Small Generating Facility (1) is larger than 2 MW but no larger than 20 MW, (2) is 2 MW or less and is not certified, or (3) is 2 MW or less and is certified but did not pass the Fast Track Process or the 10 kW Inverter Process.

3.1.2 The Interconnection Studies conducted under these procedures shall consist of analyses designed to identify the Interconnection Facilities and Upgrades required for the reliable interconnection of the Small Generating Facility to the New York State Transmission System or the Distribution System. These Interconnection Studies will be performed in accordance with Applicable Reliability Standards. The Transmission Owner will perform, or cause to be performed, the Interconnection Studies for interconnections to the Distribution System, and the NYISO will perform, or cause to be performed, the Interconnection Studies for interconnections to the New York State Transmission System.

3.1.3 Except with respect to facilities studies conducted in accordance with Attachment S of the NYISO OATT, the Interconnection Studies conducted under these procedures shall consider the distribution facilities potentially affected by the Interconnection Request, and the Base Case and, if not already included in the Base Case, all generating and merchant transmission facilities (and with respect to (iii), any identified Upgrades) that, on the date the study is commenced: (i) are directly interconnected to the New York State Transmission System or distribution facilities, (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request, (iii) have a pending higher queued Interconnection Request, and (iv) have no queue position but have executed an interconnection agreement or requested that an unexecuted interconnection agreement be filed with FERC.

3.2 Scoping Meeting

3.2.1 A scoping meeting will be held within ten Business Days after the Interconnection Request is deemed complete, or as otherwise mutually agreed to by the Parties. The NYISO, the Transmission ~~Provider~~Owner, 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. Before a Transmission Owner participates in a scoping meeting with its Affiliates, the NYISO shall post on its OASIS an advance notice of the Transmission Owner's intent to do so.

3.2.2 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 NYISO or Transmission ~~Provider~~Owner should perform a feasibility study or proceed directly to a system impact study, or a facilities study, or an interconnection agreement. ~~If~~Unless the Parties agree ~~that a~~to skip the feasibility study ~~should be performed~~, the NYISO or Transmission ~~Provider~~Owner, as appropriate, shall provide the Interconnection Customer, as soon as possible, but not later than five Business Days after the scoping meeting, a feasibility study agreement (~~Attachment~~ Appendix 6) including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the study.

3.2.3 The scoping meeting may be omitted by mutual agreement. In order to remain in consideration for interconnection, an Interconnection Customer who has requested a feasibility study must return the executed feasibility study agreement within 15 Business Days. If the Parties agree not to perform a feasibility study, the NYISO or Transmission ~~Provider~~Owner, as appropriate, shall provide the Interconnection Customer, no later than five Business Days after the scoping meeting, a system impact study agreement (~~Attachment~~ Appendix 7) including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the study.

3.3 Feasibility Study

3.3.1 The feasibility study shall identify any potential adverse system impacts that would result from the interconnection of the Small Generating Facility.

3.3.2 A deposit of the lesser of 50 percent of the good faith estimated feasibility study costs or earnest money of $1,000 may be required from the Interconnection Customer.

3.3.3 The scope of and cost responsibilities for the feasibility study are described in the attached feasibility study agreement~~.~~, Appendix 6.

3.3.4 If the feasibility study shows no potential for adverse system impacts~~, the Transmission Provider~~ and the Parties agree no system impact study is required, the NYISO or Transmission Owner, as appropriate, shall notify the Interconnection Customer within 5 Business Days of the completion of the feasibility study that the system impact study has been waived and shall send the Interconnection Customer a facilities study agreement, ~~including~~which shall include an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the study. If no additional facilities are required, the

NYISO or Transmission ~~Provider~~Owner, as appropriate, shall send the ~~Interconnection Customer~~Parties an executable interconnection agreement within five Business Days.

3.3.5 If the feasibility study shows the potential for adverse system impacts, the review process shall proceed to the appropriate system impact study(s).

3.4 System Impact Study

3.4.1 A system impact study shall identify and detail the electric system impacts that would result if the proposed Small Generating Facility were interconnected without project modifications or electric system modifications, focusing on the adverse system impacts identified in the feasibility study, or to study potential impacts, including but not limited to those identified in the scoping meeting. A system impact study shall evaluate the impact of the proposed interconnection on the reliability of the electric system.

3.4.2 If no transmission system impact study is required, but potential electric power Distribution System adverse system impacts are identified in the scoping meeting or shown in the feasibility study, a ~~distribution system~~Distribution System impact study must be performed. The NYISO or Transmission ~~Provider~~Owner, as appropriate, shall send the Interconnection Customer a ~~distribution system~~Distribution System impact study agreement within 15 Business Days of transmittal of the feasibility study report, including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the study, or following the scoping meeting if no feasibility study is to be performed.

3.4.3 In instances where the feasibility study or the ~~distribution system~~Distribution System impact study shows potential for transmission system adverse system impacts, within ~~five~~15 Business Days following transmittal of the ~~feasibility study~~Interconnection Study report, the NYISO or Transmission ~~Provider~~Owner, as appropriate, shall send the Interconnection Customer a transmission system impact study agreement, including an outline of the scope of the study and a non-binding good faith estimate of the cost to perform the study, if such a study is required.

~~3.4.4 If a transmission system impact study is not required, but electric power Distribution System adverse system impacts are shown by the feasibility study to be possible and no distribution system impact study has been conducted, the Transmission Provider shall send the Interconnection Customer a distribution system impact study agreement.~~

~~3.4.5 If the feasibility study shows no potential for transmission system or Distribution System adverse system impacts, the Transmission Provider shall send the Interconnection Customer either a facilities study agreement (Attachment 8), including an outline of the scope of the study and a non-binding good faith~~

~~estimate of the cost to perform the study, or an executable interconnection agreement, as applicable~~ The NYISO shall review and approve the results of the study.

3.4.4 In order to remain under consideration for interconnection, the Interconnection Customer must return executed system impact study agreements, if applicable, within 30 Business Days.

3.4.5 A deposit of the good faith estimated costs for each system impact study may be required from the Interconnection Customer.

3.4.6 The scope of and cost responsibilities for a system impact study are described in the attached system impact study agreement.

3.4.7 ~~Where transmission systems and Distribution Systems have separate owners, such as is the case with transmission dependent utilities ("TDUs") – whether investor-owned or not – the Interconnection Customer may apply to the nearest Transmission Provider (Transmission Owner, Regional Transmission Operator, or Independent Transmission Provider) providing transmission service to the TDU to request project coordination.~~ Affected Systems identified by the NYISO shall ~~participate in the study and~~ provide all information necessary to prepare the study.

3.5 Facilities Study

3.5.1 ~~Once~~If a system impact study(s) is required, once the required system impact study(s) is completed, a system impact study report shall be prepared by the NYISO or Transmission Owner, as appropriate, and transmitted to the Interconnection Customer along with a facilities study agreement within five Business Days~~, including~~. If a system impact study(s) is not required, the NYISO or Transmission Owner, as appropriate, shall provide the Interconnection Customer with a facilities study agreement within five Business Days. Each facilities study agreement shall include an outline of the scope of the facilities study and a non-binding good faith estimate of the cost to perform the facilities study. ~~In the case where one or both impact studies are determined to be unnecessary, a notice of the fact shall be transmitted to the Interconnection Customer within the same timeframe.~~

3.5.2 In order to remain under consideration for interconnection, or, as appropriate, in the ~~Transmission Provider~~NYISO's interconnection queue, the Interconnection Customer must return the executed facilities study agreement or a request for an extension of time within 30 Business Days.

3.5.3 The 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 system impact study(s), as appropriate.

3.5.3.1. The Interconnection Customer shall be responsible for the cost of the Interconnection Facilities and Distribution Upgrades necessary to accommodate its Interconnection Request.

3.5.3.2. The Interconnection Customer shall be responsible for the cost of any System Upgrade Facilities only if the NYISO and Transmission Owner, based on an Interconnection Study, determine (i) that System Upgrade Facilities are necessary to accommodate the Interconnection Request, and (ii) that the electrical contribution of the project to the need for those System Upgrade Facilities is greater than the *de minimis* impacts defined in Section IV.G.6.f of Attachment S to the NYISO OATT. Such Interconnection Study shall be of sufficient detail and scope to assure that these determinations can be made. If both determinations are made, then the Small Generating Facility shall be evaluated as a member of the next Class Year, and the Interconnection Customer's cost responsibility shall be determined in accordance with that Attachment S. To the extent appropriate, the NYISO will notify any Affected System or transmission owner prior to the determination to allow for potential input by the Affected System or transmission owner. For purposes of this section, Affected System may include the portions of the New York State Transmission System that may be potentially affected.

3.5.3.3. At any time prior to the closing of the Class Year, the Interconnection Customer may elect to proceed under this Section 3.5.3.3. Pending the outcome of the Class Year cost allocation process, the Interconnection Customer can elect to proceed with the interconnection of its Small Generating Facility if in the SGIA (i) it agrees in writing to accept the final cost allocation results determined in the Class Year in accordance with Attachment S, (ii) it agrees in writing to post Security in accordance with Attachment S in that Class Year; and (iii) it agrees in writing to operate its Small Generating Facility within the limits of the current New York State Transmission System, as determined by the NYISO and the Transmission Owner; pursuant to Section 3.5.3.4 of the SGIP.

3.5.3.4. Upon the request and at the expense of the Interconnection Customer, the NYISO and Transmission Owner will perform operating studies on a timely basis to determine the extent to which the Interconnection Customer's Small Generating Facility can be operated prior to the installation of any System Upgrade Facilities required for that Small Generating Facility. Such tests shall be consistent with Applicable Reliability Standards and Good Utility Practice. To the extent appropriate, the NYISO will notify any Affected System or transmission owner prior to the determination to allow for potential input by the Affected System or transmission owner. For purposes of

this section, Affected System may include the portions of the New York State Transmission System that may be potentially affected. The NYISO and Transmission Owner shall promptly notify the Interconnection Customer of the results of these studies and shall permit the Small Generating Facility to operate consistent with the results of such studies.

3.5.4 Design for any required Interconnection Facilities and/or Upgrades shall be performed under the facilities study agreement~~. The~~, these procedures and, if applicable, Attachment S of the NYISO OATT. The NYISO or Transmission ~~Provider~~Owner may contract with consultants to perform activities required under the facilities study agreement. The Interconnection Customer and the Transmission ~~Provider~~Owner 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 Transmission ~~Provider~~Owner, under the provisions of the facilities study agreement. If the ~~Parties~~Interconnection Customer and Transmission Owner agree to separately arrange for design and construction, and provided security and confidentiality requirements can be met, the Transmission ~~Provider~~Owner 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.

3.5.5 A deposit of the good faith estimated costs for the facilities study may be required from the Interconnection Customer.

3.5.6 The scope of and cost responsibilities for the facilities study are described in the attached facilities study agreement.

3.5.7 ~~Upon completion~~Within 30 Business Days of receipt of the facilities study results, ~~and with the agreement of~~ the Interconnection Customer ~~to pay~~shall provide written notice that it agrees to pay and post security for the Interconnection Facilities and Distribution Upgrades identified in the facilities study, ~~the Transmission Provider shall provide~~otherwise the Interconnection ~~Customer an~~Request will be deemed withdrawn. An executable interconnection agreement shall be tendered to the Interconnection Customer by the NYISO or the Transmission Owner, as appropriate, within five Business Days of receipt of such agreement to pay and post security.

Section 4. Provisions that Apply to All Interconnection Requests

4.1 Reasonable Efforts

The NYISO and Transmission ~~Provider~~Owner shall make reasonable efforts to meet all time frames provided in these procedures unless the NYISO, Transmission ~~Provider~~Owner and ~~the~~ Interconnection Customer agree to a different schedule. If either

the NYISO or Transmission ~~Provider~~Owner cannot meet a deadline 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.

4.2 Disputes

4.2.1 The ~~Parties~~NYISO, Transmission Owner and Interconnection Customer agree to attempt to resolve all disputes arising out of the interconnection process according to the provisions of this article.

4.2.2 In the event of a dispute, ~~either~~the Parties will first attempt to promptly resolve it on an informal basis. The NYISO will be available to the Interconnection Customer and Transmission Owner to help resolve any dispute that arises out of these procedures, including the Interconnection Studies conducted in accordance with these procedures. If the Parties cannot promptly resolve the dispute on an informal basis, then any Party shall provide the other ~~Party~~Parties with a written Notice of Dispute. Such Notice shall describe in detail the nature of the dispute.

4.2.3 If the dispute has not been resolved within two Business Days after receipt of the Notice, ~~either~~any Party may contact FERC's Dispute Resolution Service (DRS) for assistance in resolving the dispute.

4.2.4 The DRS will assist the Parties in either resolving their dispute or in selecting an appropriate dispute resolution venue (e.g., mediation, settlement judge, early neutral evaluation, or technical expert) to assist the Parties in resolving their dispute. The result of this dispute resolution process will be binding only if the Parties agree in advance. DRS can be reached at 1-877-337-2237 or via the internet at http://www.ferc.gov/legal/adr.asp.

4.2.5 Each Party agrees to conduct all negotiations in good faith and ~~will~~each Party shall be responsible for ~~one-half of any~~its own costs ~~paid to neutral third-parties~~.

4.2.6 If ~~neither~~no Party elects to seek assistance from the DRS, or if the attempted dispute resolution fails, then ~~either~~any Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of ~~this Agreement~~these procedures.

4.3 Interconnection Metering

Any metering necessitated by the use of the Small Generating Facility shall be installed at the Interconnection Customer's expense in accordance with Federal Energy Regulatory Commission, state, or local regulatory requirements or the Transmission ~~Provider~~Owner's specifications.

4.4 Commissioning

Commissioning tests of the Interconnection Customer's installed equipment shall be performed pursuant to applicable codes and standards. The NYISO and Transmission ~~Provider~~Owner must be given at least five 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.

4.5 Confidentiality

4.5.1 ~~Confidential information~~Certain information exchanged by the Parties during the administration of these procedures shall constitute confidential information ("Confidential Information") and shall be subject to this Section 4.5. Confidential Information shall mean any confidential and/or proprietary information provided by one Party to ~~the other~~another Party or Parties that is clearly marked or otherwise designated "Confidential." For purposes of ~~this Agreement~~these procedures, all design, operating specifications, and metering data provided by the Interconnection Customer shall be deemed ~~confidential information~~Confidential Information regardless of whether it is clearly marked or otherwise designated as such. Confidential Information shall include, without limitation, information designated as such by the NYISO Code of Conduct contained in Attachment F to the NYISO OATT.

4.5.2 Confidential Information does not include information previously in the public domain, required to be publicly submitted to or divulged by Governmental Authorities (after notice to the other ~~Party~~Parties and after exhausting any opportunity to oppose such publication or release), or necessary to be divulged in an action to enforce ~~this Agreement~~an interconnection agreement entered into pursuant to these procedures. 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 Agreement~~these procedures, or to fulfill legal or regulatory requirements.

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

4.5.2.2. 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.

4.5.3 Notwithstanding anything in this ~~article~~Section 4.5 to the contrary, and pursuant to 18 CFR § 1b.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 ~~Agreement,~~Section 4.5, 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~~Each Party is prohibited from notifying the other ~~Party to this Agreement~~Parties prior to the release of the Confidential Information to FERC. The Party shall notify the other ~~Party to this Agreement~~Parties when it is notified by FERC that a request to release Confidential Information has been received by FERC, at which time ~~either~~any 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.

4.6 Comparability

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

4.7 Record Retention

The NYISO and Transmission ~~Provider~~Owner shall maintain for three 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.

4.8 Interconnection Agreement

After receiving an interconnection agreement ~~from the Transmission Provider~~, the Interconnection Customer shall have 30 Business Days or another mutually agreeable timeframe to sign and return the interconnection agreement, or request that the NYISO and Transmission ~~Provider~~Owner file, or cause to be filed, an unexecuted interconnection agreement with the Federal Energy Regulatory Commission. If the Interconnection Customer does not sign the interconnection agreement, or ask that it be filed unexecuted ~~by the Transmission Provider~~ within 30 Business Days, the Interconnection Request shall be deemed withdrawn. After the interconnection agreement is signed by the Parties, the interconnection of the Small Generating Facility shall proceed under the provisions of the interconnection agreement.

4.9 Coordination with Affected Systems

~~The Transmission 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~~

~~Transmission Provider will include such Affected System operators in all meetings held with the~~To the extent required by Good Utility Practice, the NYISO will coordinate in a timely manner with Affected System Operators and Affected Systems regarding the analyses conducted under Section 2 and Section 3 of these procedures to allow for potential input by the Affected System Operators and Affected Systems into such analyses. The Transmission Owner and Interconnection Customer ~~as required by these procedures~~ will cooperate with the NYISO as needed for this coordination. The Interconnection Customer will cooperate with the NYISO and Transmission ~~Provider~~Owner in all matters related to the conduct of studies and the determination of modifications to Affected Systems. ~~A Transmission Provider which may be an~~Each Affected System Operator and/or Affected System shall cooperate with the NYISO and Transmission ~~Provider~~Owner with whom interconnection has been requested in all matters related to the conduct of studies and the determination of modifications to Affected Systems. The Parties to this Agreement shall cooperate in good faith to provide each other, Affected System Operators and Affected Systems the information necessary to carry out the terms of the SGIP and the SGIA.

4.10 Capacity of the Small Generating Facility

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

4.10.2 If the Interconnection Request is for a Small 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.

4.10.3 The Interconnection Request shall be evaluated using the maximum rated capacity of the Small Generating Facility.

4.11 Withdrawal

4.11.1 The Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to the NYISO and the Transmission Owner. In addition, if the Interconnection Customer fails to adhere to all requirements of the SGIP, except as provided in Section 4.2 (Disputes), the Interconnection Request shall be deemed withdrawn. The NYISO shall provide written notice to the Interconnection Customer of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, the Interconnection Customer shall have 15 Business Days in which to either respond with information or actions that cures the deficiency or to notify the NYISO of its intent to pursue dispute resolution.

4.11.2 Withdrawal shall result in the loss of the Interconnection Customer's Queue Position. If an Interconnection Customer disputes the withdrawal and loss of its

Queue Position, then during dispute resolution, the Interconnection Customer's Interconnection Request is eliminated from the queue until such time that the outcome of the dispute resolution would restore its Queue Position. An Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request shall pay to the NYISO and Transmission Owner all Interconnection Study costs that the NYISO and Transmission Owner prudently incur with respect to that Interconnection Request prior to the receipt of notice described above. The Interconnection Customer shall pay all invoice amounts in excess of the deposit or other security without interest within 30 calendar days after receipt of the invoice. If the Interconnection Customer disputes an amount paid and the dispute is resolved in the Interconnection Customer's favor, the disputed amount will be returned to the Interconnection Customer with interest at rates applicable to refunds under the Commission's regulations. The Interconnection Customer must pay all monies due to the NYISO and Transmission Owner before it is allowed to obtain any Interconnection Study data or results.

4.11.3 The NYISO shall (i) update the OASIS Queue Position posting and (ii) with the Transmission Owner refund to the Interconnection Customer any portion of the Interconnection Customer's deposit or study payments that exceeds the costs that the NYISO and Transmission Owner have incurred, including interest calculated in accordance with Section 35.19a(a)(2) of FERC's regulations. In the event of such withdrawal, the NYISO and Transmission Owner, subject to the confidentiality provisions of Section 4.5, shall provide, at Interconnection Customer's request, all information that the NYISO and Transmission Owner developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

4.12 Subcontracting

The NYISO or Transmission Owner may use the services of subcontractors as they each deem appropriate to perform their respective obligations under these SGIP. The NYISO and Transmission Owner shall remain primarily responsible for the performance of such subcontractors and for compliance with their respective obligations under these SGIP. Any such subcontractor shall keep all information provided to it confidential and shall use such information solely for the performance of such obligation for which it was provided and no other purpose.

~~Attachment~~Appendix 1

GLOSSARY OF TERMS

10 kW Inverter Process – The procedure for evaluating an Interconnection Request for a certified inverter-based Small Generating Facility no larger than 10 kW that uses the ~~section~~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 SGIP ~~Attachment~~ Appendix 5.

Affected System – An electric system other than the transmission system owned, controlled or operated by the NYISO or Transmission ~~Provider's Transmission System~~Owner that may be affected by the proposed interconnection.

Affected System Operator – Affected System Operator shall mean the operator of any Affected System.

Applicable Reliability Standards – The criteria, requirements and guidelines of the North American Electric Reliability Council, the Northeast Power Coordinating Council, the New York State Reliability Council and related and successor organizations, and the Transmission District to which the Interconnection Customer's Small Generating Facility is directly interconnected, as those criteria, requirements and guidelines are amended and modified and in effect from time to time; provided that no Party shall waive its right to challenge the applicability of or validity of any criterion, requirement or guideline as applied to it in the context of Attachment Z to the NYISO OATT. For the purposes of the SGIP, this definition of Applicable Reliability Requirements shall supersede the definition of Applicable Reliability Standards set out in Attachment X of the NYISO OATT.

Business Day – Monday through Friday, excluding ~~Federal Holidays~~ federal holidays.

Distribution System – The Transmission ~~Provider~~Owner's facilities and equipment used to ~~transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which Distribution Systems operate differ among areas~~distribute electricity that are not under the operational control of the NYISO, and are subject to the SGIP under FERC Order No. 2006. For the purpose of the SGIP, the term Distribution System shall not include LIPA's distribution facilities.

Distribution Upgrades – The additions, modifications, and upgrades to the Transmission ~~Provider~~Owner's Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Small Generating Facility and render the transmission service necessary to effect the Interconnection Customer's wholesale sale of electricity in interstate commerce. Distribution Upgrades do not include Interconnection Facilities or System Upgrade Facilities.

Fast Track Process – The procedure for evaluating an Interconnection Request for a certified Small Generating Facility no larger than 2 MW that includes the ~~section~~Section 2 screens, customer options meeting, and optional supplemental review.

Force Majeure – Any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, the absence of any necessary governmental approvals timely applied for, or any other cause beyond a Party's control. A Force Majeure event does not include an act of negligence or intentional wrongdoing. For the purposes of this Attachment Z, this definition of Force Majeure shall supersede the definitions of Force Majeure set out in Section 10.1 of the NYISO Open Access Transmission Tariff.

Good Utility Practice – 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.

Interconnection Customer – Any entity, including the Transmission ~~Provider, the Transmission~~ Owner or any of ~~the~~its affiliates or subsidiaries ~~of either~~, that proposes to interconnect its Small Generating Facility with the New York State Transmission ~~Provider's Transmission~~System or the Distribution System.

Interconnection Facilities – The Transmission ~~Provider~~Owner's Interconnection Facilities and the Interconnection Customer's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities and equipment between the Small Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Small Generating Facility to the New York State Transmission ~~Provider's Transmission~~System or the Distribution System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades or ~~Network Upgrades~~System Upgrade Facilities.

Interconnection Request – The Interconnection Customer's request, in accordance with ~~the Tariff,~~these procedures, (i) to interconnect a new Small Generating Facility~~, or~~ to the New York State Transmission System or the Distribution System, or (ii) to increase the capacity of, or make a ~~Material Modification~~material modification to the operating characteristics of, an existing Small Generating Facility that is interconnected ~~with the Transmission Provider's Transmission System~~to the New York State Transmission System or the Distribution System. For the purposes of this Attachment Z, this definition of Interconnection Request shall supersede the definition of Interconnection Request set out in Attachment X of the NYISO Open Access Transmission Tariff.

Interconnection Study – Any study required to be performed under Sections 2 or 3 of the SGIP.

Material Modification – A modification that has a material adverse impact on the cost or timing of any Interconnection Request with a later queue priority date.

~~**Network Upgrades** – Additions, modifications, and upgrades to the Transmission Provider's Transmission System required at or beyond the point at which the Small Generating Facility interconnects with the Transmission Provider's Transmission System to accommodate the interconnection with the Small Generating Facility to the Transmission Provider's Transmission System. Network Upgrades do not include Distribution Upgrades.~~

Minor Modification – Modifications that will not have a material adverse impact on the cost or timing of any Interconnection Request.

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

Party or Parties – The ~~Transmission Provider~~NYISO, Transmission Owner, Interconnection Customer or any combination of the above.

Point of Interconnection – The point where the Interconnection Facilities connect with the New York State Transmission ~~Provider's Transmission~~System or the Distribution System.

Queue Position – The order of a valid Interconnection Request, relative to all other pending valid Interconnection Requests, that is established based upon the date and time of receipt of the valid Interconnection Request by the NYISO or by the Transmission ~~Provider.~~Owner under Section 1.7.

Small Generating Facility – The Interconnection Customer's device no larger than 20 MW for the production of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities.

Study Process – The procedure for evaluating an Interconnection Request that includes the ~~section~~Section 3 scoping meeting, feasibility study, system impact study, and facilities study.

Transmission Owner – The ~~entity that~~public utility or authority (or its designated agent) that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the Tariff, (ii) owns, leases or otherwise possesses an interest in the portion of the New York State Transmission System or the Distribution System at the Point of Interconnection, and ~~may be~~(iii) is a ~~Party~~party to the Standard Small Generator Interconnection Agreement ~~to the extent necessary.~~

~~**Transmission Provider** – The public utility (or its designated agent) that owns, controls, or operates transmission or distribution facilities used for the transmission of electricity in interstate~~

~~commerce and provides transmission service under the Tariff. The term Transmission Provider should be read to include the Transmission Owner when the Transmission Owner is separate from the Transmission Provider.~~ **~~Transmission System~~** ~~– The facilities owned, controlled or operated by the Transmission Provider or the Transmission Owner that are used to provide transmission service under the~~. For the purposes of this Attachment Z, this definition of Transmission Owner shall supersede the definitions of Transmission Owner set out in Section 1.0 and Attachment X of the NYISO Open Access Transmission Tariff.

Upgrades – The required additions and modifications to the Transmission ~~Provider's~~Owner's portion of the New York State Transmission System or the Distribution System at or beyond the Point of Interconnection. Upgrades may be ~~Network Upgrades~~System Upgrade Facilities or Distribution Upgrades. Upgrades do not include Interconnection Facilities.

~~Attachment~~Appendix 2

SMALL GENERATOR INTERCONNECTION REQUEST
(Application Form)

~~Transmission Provider~~NYISO: _____

Designated Contact Person: _____

Address: _____

Telephone Number: _____

Fax: _____

E-Mail Address: _____

An Interconnection Request is considered complete when it provides all applicable and correct information required below. Per SGIP section 1.5, documentation of site control must be submitted with the Interconnection Request.

Preamble and Instructions

An Interconnection Customer who requests ~~a Federal Energy Regulatory Commission jurisdictional~~an interconnection to the New York State Transmission System or the Distribution System must submit this Interconnection Request by hand delivery, mail, e-mail, or fax to the NYISO, and simultaneously send a copy directly to the Transmission ~~Provider~~Owner.

Processing Fee or Deposit:

If the Interconnection Request is submitted under the Fast Track Process, the non-refundable processing fee is ~~$500.~~500, payable to the Transmission Owner.

If the Interconnection Request is submitted under the Study Process, whether a new submission or an Interconnection Request that did not pass the Fast Track Process, the Interconnection Customer shall submit ~~to the Transmission Provider~~ a deposit or commercially reasonable security not to exceed $1,000 towards the cost of the feasibility study, to the Transmission Owner for interconnections to the Distribution System, and to the NYISO for interconnection to the New York Transmission System.

Interconnection Customer Information

Legal Name of the Interconnection Customer (or, if an individual, individual's name)

Name: _____

Contact Person: _____

Mailing Address:_____

City:_____ State:_____ Zip:_____

Facility Location (if different from above):_____

Telephone (Day):_____ Telephone (Evening):_____

Fax:_____ E-Mail Address:_____

~~Alternative~~Additional Contact Information ~~(if different from the Interconnection Customer)~~

Contact Name:_____

Title:_____

Address:_____

_____

Telephone (Day):_____ Telephone (Evening):_____

Fax:_____ E-Mail Address:_____

Application is for: _____ New Small Generating Facility
_____Capacity addition to Existing Small Generating Facility

If capacity addition to existing facility, please describe:_____
_____

Will the Small Generating Facility be used for any of the following?

Net Metering? Yes ___ No___
To Supply Power to the Interconnection Customer? Yes ___ No___
To Supply Power to Others~~?~~ Through Wholesale Sales Over the New York State Transmission System or Distribution System? Yes ___ No___

For installations at locations with existing electric service to which the proposed Small Generating Facility will interconnect, provide:

_____ _____
(Local Electric Service Provider~~*~~) (Existing Account Number~~*~~)

~~[*To be provided by the Interconnection Customer if the local electric service provider is different from the Transmission Provider]~~

Contact Name:_____

Title:_____

Address:_____

_____

Telephone (Day):_____ Telephone (Evening):_____

Fax:_____ E-Mail Address:_____

Requested Point of Interconnection:_____

Interconnection Customer's Requested In-Service Date:_____

Small Generating Facility Information
Data apply only to the Small Generating Facility, not the Interconnection Facilities.

Energy Source: ___Solar ___Wind ___Hydro ___Hydro Type (e.g. Run-of-River):_____
Diesel ___Natural Gas ___Fuel Oil ___ Other (state type)_____

Prime Mover: ___Fuel Cell ___Recip Engine ___Gas Turb ___Steam Turb
___Microturbine ___PV ___Other

Type of Generator: ____Synchronous ____Induction ____Inverter

Generator Nameplate Rating: _____kW (Typical) Generator Nameplate kVAR:_____

Interconnection Customer or Customer-Site Load:_____kW (if none, so state)

Typical Reactive Load (if known):_____

Maximum Physical Export Capability Requested:_____ kW

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

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

Is the prime mover compatible with the certified protective relay package? ____Yes ____No

Generator (or solar collector)
Manufacturer, Model Name & Number:_____
Version Number:_____

Nameplate Output Power Rating in kW: (Summer) _____ (Winter) _____
Nameplate Output Power Rating in kVA: (Summer) _____ (Winter) _____

Individual Generator Power Factor
Rated Power Factor: Leading: _____ Lagging: _____

Total Number of Generators in wind farm to be interconnected pursuant to this Interconnection Request: _____ Elevation: _____ ___Single phase ___Three Phase

Inverter Manufacturer, Model Name & Number (if used):_____

List of adjustable set points for the protective equipment or software:_____

Note: A completed Power Systems Load Flow data sheet must be supplied with the Interconnection Request.

Small Generating Facility Characteristic Data (for inverter-based machines)

Max design fault contribution current: _____ Instantaneous ___ or RMS? ___

Harmonics Characteristics: _____

Start-up requirements: _____

Small Generating Facility Characteristic Data (for rotating machines)

RPM Frequency:_____
(*) Neutral Grounding Resistor (If Applicable):_____

Synchronous Generators:

Direct Axis Synchronous Reactance, Xd: _____ P.U.
Direct Axis Transient Reactance, X'_d: _____ P.U.
Direct Axis Subtransient Reactance, X''_d: _____ P.U.
Negative Sequence Reactance, X_2: _____ P.U.
Zero Sequence Reactance, X_o: _____ P.U.
KVA Base: _____
Field Volts: _____
Field Amperes:_____

Induction Generators:

Motoring Power (kW): _____

1_2^2t or K (Heating Time Constant): _____
Rotor Resistance, Rr: _____
Stator Resistance, Rs: _____
Stator Reactance, Xs: _____
Rotor Reactance, Xr: _____
Magnetizing Reactance, Xm: _____
Short Circuit Reactance, Xd": _____
Exciting Current: _____
Temperature Rise: _____
Frame Size: _____
Design Letter: _____
Reactive Power Required In Vars (No Load):_____
Reactive Power Required In Vars (Full Load):_____
Total Rotating Inertia, H: _____ Per Unit on kVA Base

Note: Please contact the Transmission ~~Provider~~Owner and the NYISO prior to submitting the Interconnection Request to determine if the specified information above is required.

Excitation and Governor System Data for Synchronous Generators Only

Provide appropriate IEEE model block diagram of excitation system, governor system and power system stabilizer (PSS) in accordance with the regional reliability council criteria. A PSS may be determined to be required by applicable studies. A copy of the manufacturer's block diagram may not be substituted.

Interconnection Facilities Information

Will a transformer be used between the generator and the point of common coupling?
___Yes ___No

Will the transformer be provided by the Interconnection Customer? ___Yes ___No

Transformer Data (If Applicable, for Interconnection Customer-Owned Transformer):

Is the transformer: ___single phase _____three phase? Size: _____kVA
Transformer Impedance: _____ % on _____kVA Base

If Three Phase:

Transformer Primary:	_____ Volts	_____ Delta	_____ Wye	_____ Wye Grounded
Transformer Secondary:	_____ Volts	_____ Delta	_____ Wye	_____ Wye Grounded
Transformer Tertiary:	_____ Volts	_____ Delta	_____ Wye	_____ Wye Grounded

Transformer Fuse Data (If Applicable, for Interconnection Customer-Owned Fuse):

(Attach copy of fuse manufacturer's Minimum Melt and Total Clearing Time-Current Curves)

Manufacturer: _____ Type: _____ Size: _____ Speed: _____

Interconnecting Circuit Breaker (if applicable):

Manufacturer:_____ Type:_____

Load Rating (Amps):_____ Interrupting Rating (Amps):_____ Trip Speed (Cycles):_____

Interconnection Protective Relays (If Applicable):

If Microprocessor-Controlled:

List of Functions and Adjustable Setpoints for the protective equipment or software:

Setpoint Function	Minimum	Maximum
1._____	_____	_____
2._____	_____	_____
3._____	_____	_____
4._____	_____	_____
5._____	_____	_____
6._____	_____	_____

If Discrete Components:

(Enclose Copy of any Proposed Time-Overcurrent Coordination Curves)

Manufacturer:_____ Type:_____ Style/Catalog No.:_____ Proposed Setting:_____
Manufacturer:_____ Type:_____ Style/Catalog No.:_____ Proposed Setting:_____
Manufacturer:_____ Type:_____ Style/Catalog No.:_____ Proposed Setting:_____
Manufacturer:_____ Type:_____ Style/Catalog No.:_____ Proposed Setting:_____
Manufacturer:_____ Type:_____ Style/Catalog No.:_____ Proposed Setting:_____

Current Transformer Data (If Applicable):

(Enclose Copy of Manufacturer's Excitation and Ratio Correction Curves)

Manufacturer:_____
Type:_____ Accuracy Class:___ Proposed Ratio Connection:___

Manufacturer:_____
Type:_____ Accuracy Class:___ Proposed Ratio Connection:___

Potential Transformer Data (If Applicable):

Manufacturer:_____
Type:_____ Accuracy Class:___ Proposed Ratio Connection:___

Manufacturer:_____
Type:_____ Accuracy Class:___ Proposed Ratio Connection:___

General Information

Enclose copy of site electrical one-line diagram showing the configuration of all Small Generating Facility equipment, current and potential circuits, and protection and control schemes. This one-line diagram must be signed and stamped by a licensed Professional Engineer if the Small Generating Facility is larger than 50 kW. Is One-Line Diagram Enclosed? ____ Yes ____ No

Enclose copy of any site documentation that indicates the precise physical location of the proposed Small Generating Facility (e.g., USGS topographic map or other diagram or documentation).

Proposed location of protective interface equipment on property (include address if different from the Interconnection Customer's address) _____

Enclose copy of any site documentation that describes and details the operation of the protection and control schemes. Is Available Documentation Enclosed? ____ Yes ____ No

Enclose copies of schematic drawings for all protection and control circuits, relay current circuits, relay potential circuits, and alarm/monitoring circuits (if applicable).
Are Schematic Drawings Enclosed? ____ Yes ____ No

Applicant Signature

I hereby certify that, to the best of my knowledge, all the information provided in this Interconnection Request is true and correct.

For Interconnection Customer: _____ Date:_____

~~Attachment~~Appendix 3

CERTIFICATION CODES AND STANDARDS

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.l-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-l992 (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

~~Attachment~~Appendix 4

CERTIFICATION OF SMALL GENERATOR EQUIPMENT PACKAGES

1.0 Small 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 SGIP ~~Attachment~~Appendix 3, (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 small generator interconnection procedures shall be considered certified under these procedures for use in that state.

~~Attachment~~Appendix 5

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 NYISO and Transmission ~~Provider ("Company")~~Owner.

2.0 The ~~Company~~NYISO acknowledges to the Customer receipt of the Application within three Business Days of receipt.

3.0 The ~~Company~~Transmission Owner evaluates the Application for completeness and notifies the Customer within ten Business Days of receipt that the Application is or is not complete and, if not, advises what material is missing.

4.0 The ~~Company~~Transmission Owner verifies that the Small Generating Facility can be interconnected safely and reliably using the screens contained in the Fast Track Process in the ~~Small Generator Interconnection Procedures (SGIP)~~SGIP. The ~~Company~~Transmission Owner has 15 Business Days to complete this process. Unless the ~~Company~~Transmission Owner determines and demonstrates that the Small Generating Facility cannot be interconnected safely and reliably, the ~~Company~~Transmission Owner approves the Application and returns it to the Customer, with a copy to the NYISO. Note to Customer: Please check with the ~~Company~~Transmission Owner before submitting the Application if disconnection equipment is required.

5.0 After installation, the Customer returns the Certificate of Completion to the ~~Company~~Transmission Owner, and sends a copy to the NYISO. Prior to parallel operation, the ~~Company~~Transmission Owner may inspect the Small Generating Facility for compliance with standards which may include a witness test, and may schedule appropriate metering replacement, if necessary. The Customer shall cooperate with the Transmission Owner to assure that the required inspection, witness test and/or metering replacement are completed within the timeframes outlined below.

6.0 The ~~Company~~Transmission Owner notifies the Customer in writing that interconnection of the Small Generating Facility is authorized. If the witness test is not satisfactory, the ~~Company~~Transmission Owner 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~~Transmission Owner is obligated to complete this witness test within ten Business Days of the receipt of the Certificate of Completion, unless the Transmission Owner and Customer agree otherwise. If the ~~Company~~Transmission Owner does not inspect within ten 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~~NYISO and Transmission Owner, 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.

10.0 The NYISO is available to help resolve any disputes that may arise out of the proposed interconnection, in accordance with the procedures set forth in Section 4.2 of the SGIP in Attachment Z of the NYISO Open Access Transmission Tariff.

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. Per SGIP section 1.5, documentation of site control must be submitted with the Interconnection Request. Additional information to evaluate the Application may be required.

Processing Fee

A non-refundable processing fee of $~~100~~100, payable to the Transmission Owner, must accompany this Application.

~~Interconnection~~ Customer

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone (Day): _____ (Evening): _____

Fax: _____ E-Mail Address: _____

Contact ~~(if different from Interconnection Customer)~~

Name: ~~Contact Person:~~ _____

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 10kW Inverter Process is available only for inverter-based Small Generating Facilities no larger than 10kW that meet the codes, standards, and certification requirements of ~~Attachments~~Appendices 3 and 4 of the ~~Small Generator Interconnection Procedures (SGIP)~~SGIP, or the Transmission ~~Provider~~Owner has reviewed the design or tested the proposed Small Generating Facility and is satisfied that it is safe to operate. If the review or testing raises safety issues, the Small Generating Facility will not be allowed to commence parallel operation until the issues are resolved.

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: _____

Title: _____ Date: _____

Contingent Approval to Interconnect the Small Generating Facility

(For ~~Company~~Transmission Owner 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.

~~Company~~Transmission Owner Signature: _____

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~~Transmission Owner:___

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 the Transmission Owner and NYISO (insert ~~Company~~contact information below):

Name:_____

~~Company~~Transmission Owner:_____

Address:_____

_____

City, State ZIP:_____

Fax:_____

Name:_____

NYISO:_____

Address:_____

_____

City, State ZIP:_____

Fax:_____

Approval to Energize the Small Generating Facility (For ~~Company~~Transmission Owner 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

~~Company~~Transmission Owner Signature:_____

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 Transmission ~~Provider (the "Company")~~Owner 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~~Transmission Owner's Distribution 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~~Transmission Owner, with a copy to the NYISO, and

2.3 The ~~Company~~Transmission Owner 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~~Transmission Owner, at its own expense, within ten Business Days (unless the Parties agree otherwise) after receipt of the Certificate of Completion and shall take place at a time agreeable to the Parties. The ~~Company~~Transmission Owner 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~~Transmission Owner does not schedule an inspection of the Small Generating Facility within ten business days after receiving the Certificate of Completion, the witness test is deemed waived (unless the Parties agree otherwise), unless the Interconnection Customer has not provided a reasonable opportunity for such inspection; or

2.3.3 The ~~Company~~Transmission Owner waives the right to inspect the Small Generating Facility.

2.4 The ~~Company~~Transmission Owner 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~~Transmission Owner 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~~Transmission Owner shall provide reasonable notice to the Customer when possible prior to using its right of access.

5.0 **Disconnection**

The ~~Company~~Transmission Owner may temporarily disconnect the Small Generating Facility upon the following conditions, until the conditions no longer exist:

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, the NYISO OATT and Applicable Reliability Standards.

5.4 The ~~Company~~Transmission Owner shall inform the Customer in advance of any scheduled disconnection, or as is reasonable after an unscheduled disconnection.

6.0 **Indemnification**

The Parties shall at all times indemnify, defend, and save the other ~~Party~~Parties 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~~indemnified 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 each agree to maintain commercially reasonable amounts of insurance~~Interconnection Customer and Transmission Owner shall each follow all applicable insurance requirements imposed by New York State. All insurance policies

must be maintained with insurers authorized to do business in New York State, and all policies must be in place ten Business Days prior to the operation of the Inverter-Based Small Generating Facility. The Interconnection Customer and Transmission Owner shall notify each other whenever an accident or incident occurs that is covered by such insurance, whether or not such coverage is sought. The Interconnection Customer's insurance requirements shall be specified in an attachment to these Terms and Conditions.

8.0 **Limitation of Liability**

Each ~~party~~Party's liability to the other ~~party~~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~~Party be liable to the other ~~party~~Party for any indirect, incidental, special, consequential, or punitive damages of any kind whatsoever, except as allowed under paragraph 6.0.

9.0 **Termination**

The agreement to operate in parallel shall become effective when executed by both Parties and shall continue in effect until . The agreement may be terminated earlier under the following conditions:

9.1 **By the Customer**

By providing written notice to the ~~Company~~Transmission Owner.

9.2 **By the ~~Company~~Transmission Owner**

If the Small Generating Facility fails to operate for any consecutive 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~~Transmission Owner 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~~Transmission Owner.

Interconnection Customer:	Transmission Owner:
By:	By:

Name:	Name:
Date:	Date:

~~Attachment~~**Appendix 6**

Feasibility Study Agreement

THIS AGREEMENT is made and entered into this ____day of _____ 20___ by and ~~between~~among _____, a _____ organized and existing under the laws of the State of _____, ("Interconnection Customer,") ~~and~~ _____, ~~a~~ _____the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of~~_____~~ ("~~Transmission Provider~~ New York ("NYISO") and _____, a _____ existing under the laws of the State of New York ("Transmission Owner"). Interconnection Customer, NYISO and Transmission ~~Provider~~Owner each may be referred to as a "Party," or collectively as the "Parties."

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Small Generating Facility with **[the** ~~Transmission Provider's~~**New York State Transmission System or the Distribution System]**; and

WHEREAS, Interconnection Customer has requested the **[NYISO or Transmission** ~~Provider~~**Owner]** to perform a feasibility study to assess the feasibility of interconnecting the proposed Small Generating Facility with **[the** ~~Transmission Provider's~~**New York State Transmission System**~~, and of any Affected Systems~~ **or the 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 ~~the standard Small Generator Interconnection Procedures~~Section 1.1.2 of the SGIP.

2.0 The Interconnection Customer elects and the **[NYISO or Transmission** ~~Provider~~**Owner]** shall cause to be performed an interconnection feasibility study consistent the ~~standard Small Generator Interconnection Procedures~~SGIP in accordance with the NYISO Open Access Transmission Tariff.

3.0 The scope of the feasibility study shall be subject to the assumptions set forth in Attachment A to this Agreement and shall be made an exhibit thereto.

4.0 The feasibility study shall be based on the technical information provided by the Interconnection Customer in the Interconnection Request, as may be modified as the result of the scoping meeting. The NYISO and Transmission ~~Provider reserves~~Owner reserve 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 feasibility study and as designated in accordance with ~~the standard Small Generator Interconnection Procedures~~Attachment Z of the NYISO OATT. If the Interconnection Customer modifies its Interconnection Request, the time to complete the feasibility study may be extended by agreement of the Parties. The Interconnection Customer shall bear any increased costs to complete the study.

5.0 In performing the study, **[NYISO or the Transmission** ~~Provider~~**Owner]** shall rely, to the extent reasonably practicable, on existing studies of recent vintage. The Interconnection Customer shall not be charged for such existing studies; however, the Interconnection Customer shall be responsible for charges associated with any new study or modifications to existing studies that are reasonably necessary to perform the feasibility study.

6.0 The feasibility study report shall provide, as necessary, the following analyses for the purpose of identifying any potential adverse system impacts that would result from the interconnection of the Small Generating Facility as proposed:

6.1 Initial identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;

6.2 Initial identification of any thermal overload or voltage limit violations resulting from the interconnection;

6.3 Initial review of grounding requirements and electric system protection; and

6.4 Description and non-~~bonding~~binding estimated cost of facilities required to interconnect the proposed Small Generating Facility and to address the identified short circuit and power flow issues.

7.0 The feasibility study shall model the impact of the Small Generating Facility regardless of purpose in order to avoid the further expense and interruption of operation for reexamination of feasibility and impacts if the Interconnection Customer later changes the purpose for which the Small Generating Facility is being installed.

8.0 The study shall include the feasibility of any interconnection at a proposed project site where there could be multiple potential Points of Interconnection, as requested by the Interconnection Customer and at the Interconnection Customer's cost.

9.0 A deposit or commercially reasonable security in the amount of the lesser of 50 percent of good faith estimated feasibility study costs or earnest money of $1,000 may be required from the Interconnection Customer.

10.0 Once the feasibility study is completed, a feasibility study report shall be prepared and transmitted to the Interconnection Customer. Barring unusual circumstances, the feasibility study must be completed and the feasibility study report transmitted within 30 Business Days ~~of~~after the Interconnection Customer's agreement to conduct a feasibility study.

11.0 Any Transmission Owner and NYISO study ~~fees~~costs shall be based on ~~the Transmission Provider's~~their actual costs, including applicable taxes, 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~~shall pay all amounts invoiced in accordance with these SGIPs in excess of the deposit or other security without interest within 30 calendar days ~~on~~after receipt of the invoice ~~or resolution of any dispute~~. Failure to do so shall be deemed a withdrawal of the Interconnection Request under Section 4.11 of the SGIP. If the deposit or other cash security exceeds the invoiced fees, the **[NYISO or Transmission** ~~Provider~~**Owner]** shall refund such excess within 30 calendar days of the invoice without interest. If the Interconnection Customer disputes an amount to be paid, the Interconnection Customer shall pay the disputed amount to the **[NYISO or Transmission Owner]** or into an interest bearing escrow account, pending resolution of the dispute in accordance with Section 4.2 of the SGIP. To the extent the dispute is resolved in the Interconnection Customer's favor, that portion of the disputed amount will be returned to the Interconnection Customer with interest at rates applicable to refunds under the Commission's regulations. To the extent the dispute is resolved in the **[NYISO's or Transmission Owner's]** favor, that portion of any escrowed funds and interest will be released to the **[NYISO or Transmission Owner]**. The Transmission Owner and the NYISO shall not be obligated to perform or continue to perform any Interconnection Study work for the Interconnection Customer unless the Interconnection Customer has paid all amounts in compliance herewith.

13.0 The NYISO shall be available to help resolve any disputes that arise between the Interconnection Customer and Transmission Owner regarding this feasibility study. Such disputes shall be resolved in accordance with the procedures set forth in Section 4.2 of the SGIP contained in Attachment Z of the NYISO OATT.

14.0 Miscellaneous.

14.1 Accuracy of Information. Except as Interconnection Customer may otherwise specify in writing when it provides information to the Transmission Owner or NYISO under this Agreement, Interconnection Customer represents and warrants that the information it provides to the Transmission Owner and NYISO shall be accurate and complete as of the date the information is provided. Interconnection

Customer shall promptly provide the Transmission Owner and NYISO with any additional information needed to update information previously provided.

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

14.3 Force Majeure. None of the Parties shall be considered in default as to any obligation under this Agreement if prevented from fulfilling the obligation due to an event of Force Majeure; provided that no event of Force Majeure affecting any Party shall excuse that Party from making any payment it is obligated to make hereunder. However, a Party whose performance under this Agreement is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Agreement, and shall promptly notify the other Parties of the commencement and end of each event of Force Majeure.

14.4 Limitations of Liability. In no event shall any Party or its subcontractor consultant be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the feasibility study or any reliance on the feasibility study by Developer or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall the NYISO or Transmission Owner be liable for any delay in delivery or for the non-performance or delay in performance of the Transmission Owner's obligations under this Agreement.

14.5 Indemnification. Interconnection Customer shall at all times indemnify, defend, and save harmless Transmission Owner and NYISO, and their respective directors, officers, members, employees and agents from any and all damages, losses, claims and liabilities ("Losses") by or to third parties arising out of or resulting from the performance by the Transmission Owner or NYISO under this Agreement, any bankruptcy filings made by Interconnection Customer, or the actions or omissions of Interconnection Customer in connection with this Agreement, except to the extent such Losses arise from the gross negligence or willful misconduct by Transmission Owner or NYISO or their respective

directors, officers, members, employees or agents. The amount of any indemnity payment hereunder shall be reduced (including, without limitation, retroactively) by any insurance proceeds or other amounts actually recovered by the indemnified party in respect of the indemnified action, claim, demand, cost, damage or liability. The obligations of Interconnection Customer to indemnify Transmission Owner shall be several, and not joint or joint and several.

14.6 Third-Party Beneficiaries. Without limitation of Sections 14.2, 14.3 and 14.5 of this Agreement, Interconnection Customer further agrees that subcontractor consultant hired by the NYISO or Transmission Owner to conduct or review, or to assist in the conducting or reviewing, an Interconnection Feasibility Study shall be deemed third party beneficiaries with respect to Sections 14.2, 14.3 and 14.5.

14.7 Term and Termination. This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 14.7, shall continue in effect for a term of one year or until the feasibility study for Interconnection Customer's Small Generating Facility is completed, whichever event occurs first. Interconnection Customer or the NYISO and Transmission Owner may terminate this Agreement upon the withdrawal of Developer's Interconnection Request under Section 4.11 of the SGIP.

14.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to any choice of laws provisions.

14.9 Severability. In the event that any part of this Agreement is deemed as a matter of law to be unenforceable or null or void, such unenforceable or void part shall be deemed severable from this Agreement and the Agreement shall continue in full force and effect as if each part was not contained herein.

14.10 Counterparts. This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as the original instrument.

14.11 Amendment. No amendment, modification or waiver of any term hereof shall be effective unless set forth in writing signed by the Parties hereto.

14.12 Survival. All warranties, limitations of liability, indemnification and confidentiality provisions provided herein shall survive the expiration or termination hereof.

14.13 Independent Contractor. The NYISO and Transmission Owner shall at all times be deemed to be an independent contractor and none of their employees or the employees of its subcontractors shall be considered to be employees of Interconnection Customer as a result of this Agreement.

14.14 No Implied Waivers. The failure of a Party to insist upon or enforce strict performance of any of the provisions of this Agreement shall not be construed as a waiver or relinquishment to any extent of such party's right to insist or rely on any such provision, rights and remedies in that or any other instances; rather, the same shall be and remain in full force and effect.

14.15 Successors and Assigns. This Agreement, and each and every term and condition hereof, shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns. No assignment shall be permitted where the assignee is currently in litigation with one of the Parties to this Agreement, except with the consent of the affected Party.

14.16 Due Authorization. Each Party to this Agreement represents and warrants that it has full power and authority to enter into this Agreement and to perform its obligations hereunder, that execution of this Agreement will not violate any other agreement with a third party, and that the person signing this Agreement on its behalf has been properly authorized and empowered to enter into this Agreement.

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

[Insert name of Transmission ~~Provider~~Owner] [Insert name of Interconnection Customer]

Signed_____	Signed_____
Name (Printed):	Name (Printed):
_____	_____
Title_____	Title_____

NYISO

Signed_____

Name (Printed):

_____

Title_____

Attachment A to
Feasibility Study Agreement

Assumptions Used in Conducting the Feasibility Study

The feasibility study will be based upon the information set forth in the Interconnection Request and agreed upon in the scoping meeting held on _____:

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

2) Designation of alternative Points of Interconnection and configuration.

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

~~Attachment~~**Appendix 7**

System Impact Study Agreement

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

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Small Generating Facility with **[the** ~~Transmission Provider's~~**New York State Transmission System~~;~~ or the Distribution System]**; and

WHEREAS, the **[NYISO or Transmission** ~~Provider~~**Owner]** has completed a feasibility study and provided the results of said study to the Interconnection Customer (This recital to be omitted if the Parties have agreed to forego the feasibility study.); and

WHEREAS, the Interconnection Customer has requested the **[NYISO or Transmission** ~~Provider~~**Owner]** to perform, or cause to be performed, a system impact study(s) to assess the impact of interconnecting the Small Generating Facility with **[the** ~~Transmission Provider's~~**New York State Transmission System or the 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 ~~the standard Small Generator Interconnection Procedures~~Section 1.1.2 of the SGIP.

2.0 The Interconnection Customer elects and the **[NYISO or Transmission** ~~Provider~~**Owner]** shall cause to be performed a system impact study(s) consistent with the ~~standard Small~~

~~Generator Interconnection Procedures~~SGIP in accordance with the NYISO Open Access Transmission Tariff.

3.0 The scope of a system impact study shall be subject to the assumptions set forth in Attachment A to this Agreement and shall be made an exhibit thereto.

4.0 A system impact study will be based upon the ~~results of the feasibility study and the~~ technical information provided by Interconnection Customer in the Interconnection Request~~. The~~ and shall build upon the results of the feasibility study, if applicable. The NYISO and Transmission ~~Provider reserves~~Owner reserve 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 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 system impact study may be extended. The Interconnection Customer shall bear any increased costs to complete the study.

5.0 A system impact study shall 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. A 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. A system impact study shall 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 A ~~distribution system~~Distribution System impact study shall 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 a system impact study, with a division of costs among such entities as they may agree. All Affected Systems shall be afforded an opportunity of 10 Business Days to review and comment upon a system impact study that covers potential adverse system impacts on their electric systems, and the **[NYISO or Transmission** ~~Provider~~**Owner]** has 20 additional Business Days to complete a system impact study requiring review by Affected Systems.

8.0 ~~If the Transmission Provider uses a queuing procedure for sorting or prioritizing projects and their associated cost responsibilities for any required Network Upgrades, the~~ The system impact study shall consider all generating and merchant transmission facilities (and with respect to paragraph 8.3 below, any identified Upgrades associated with such higher queued interconnection) that, on the date the system impact study is commenced –

8.1 Are directly interconnected with the New York State Transmission ~~Provider's electric system~~System or distribution facilities; 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 New York State Transmission ~~Provider's electric system~~System or the Distribution System; and

8.4 Have no queue position but have executed an interconnection agreement or requested that an unexecuted interconnection agreement be filed with FERC.

9.0 A ~~distribution system~~Distribution System impact study, if required, shall be completed and the results transmitted to the Interconnection Customer within 30 Business Days after this Agreement is signed ~~by the Parties~~for Interconnection Requests no larger than 2 MW and no later than 60 Business Days after this Agreement is signed for Interconnection Requests greater than 2 MW. A transmission system impact study, if required, shall be completed and the results transmitted to the Interconnection Customer within 45 ~~Business Days~~business days after this Agreement is signed ~~by the Parties, or in accordance with the Transmission Provider's queuing procedures~~for Interconnection Requests no larger than 2 MW and no later than 60 business days after this Agreement is signed for Interconnection Requests greater than 2 MW.

10.0 ~~A deposit of the~~The Interconnection Customer shall provide to the **[NYISO or Transmission Owner]** a deposit or other commercially reasonable security in an amount equivalent ~~of~~to the good faith estimated cost of a ~~distribution system~~Distribution System impact study and the ~~one half the~~ good faith estimated cost of a transmission system impact study ~~may be required from the Interconnection Customer~~.

11.0 Any Transmission Owner and NYISO study ~~fees~~costs shall be based on ~~the Transmission Provider's~~their actual costs, including applicable taxes, 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~~shall pay all invoice amounts in excess of the deposit or other security without interest within 30 calendar days ~~on~~after receipt of the invoice ~~or resolution of any dispute~~.
Failure to do so shall be deemed a withdrawal of the Interconnection Request under Section 4.11 of the SGIP. If the deposit or other cash security exceeds the invoiced fees, **[NYISO or the Transmission** ~~Provider~~**Owner]** shall refund such excess within 30 calendar days of the invoice without interest. If the Interconnection Customer disputes an amount to be paid the Interconnection Customer shall pay the disputed amount to the **[NYISO or Transmission Owner]** or into an interest bearing escrow account, pending resolution of the dispute in accordance with Section 4.2 of the SGIP. To the extent the dispute is resolved in the Interconnection Customer's favor, that portion of the disputed

amount will be returned to the Interconnection Customer with interest at rates applicable to refunds under the Commission's regulations. To the extent the dispute is resolved in the **[NYISO's or Transmission Owner's]** favor, that portion of any escrowed funds and interest will be released to the **[NYISO or Transmission Owner]**. The Transmission Owner and the NYISO shall not be obligated to perform or continue to perform any Interconnection Study work for the Interconnection Customer unless the Interconnection Customer has paid all amounts in compliance herewith.

13.0 The NYISO shall be available to help resolve any disputes that arise between the Interconnection Customer and Transmission Owner regarding this system impact study. Such disputes shall be resolved in accordance with the procedures set forth in Section 4.2 of the SGIP contained in Attachment Z of the NYISO OATT.

14.0 Miscellaneous.

14.1 Accuracy of Information. Except as Interconnection Customer may otherwise specify in writing when it provides information to the Transmission Owner or NYISO under this Agreement, Interconnection Customer represents and warrants that the information it provides to the Transmission Owner and NYISO shall be accurate and complete as of the date the information is provided. Interconnection Customer shall promptly provide the Transmission Owner and NYISO with any additional information needed to update information previously provided.

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

14.3 Force Majeure. None of the Parties shall be considered in default as to any obligation under this Agreement if prevented from fulfilling the obligation due to an event of Force Majeure; provided that no event of Force Majeure affecting any Party shall excuse that Party from making any payment it is obligated to make hereunder. However, a Party whose performance under this Agreement is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Agreement, and shall promptly notify the other Parties of the commencement and end of each event of Force Majeure.

14.4 Limitations of Liability. In no event shall any Party or its subcontractor consultant be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the system impact study or any reliance on the system impact study by Developer or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall the NYISO or Transmission Owner be liable for any delay in delivery or for the non-performance or delay in performance of the Transmission Owner's obligations under this Agreement.

14.5 Indemnification. Interconnection Customer shall at all times indemnify, defend, and save harmless Transmission Owner and NYISO, and their respective directors, officers, members, employees and agents from any and all damages, losses, claims and liabilities ("Losses") by or to third parties arising out of or resulting from the performance by the Transmission Owner or NYISO under this Agreement, any bankruptcy filings made by Interconnection Customer, or the actions or omissions of Interconnection Customer in connection with this Agreement, except to the extent such Losses arise from the gross negligence or willful misconduct by Transmission Owner or NYISO or their respective directors, officers, members, employees or agents. The amount of any indemnity payment hereunder shall be reduced (including, without limitation, retroactively) by any insurance proceeds or other amounts actually recovered by the indemnified party in respect of the indemnified action, claim, demand, cost, damage or liability. The obligations of Interconnection Customer to indemnify Transmission Owner shall be several, and not joint or joint and several.

14.6 Third-Party Beneficiaries. Without limitation of Sections 14.2, 14.3 and 14.5 of this Agreement, Interconnection Customer further agrees that subcontractor consultant hired by the NYISO or Transmission Owner to conduct or review, or to assist in the conducting or reviewing, an Interconnection Feasibility Study shall be deemed third party beneficiaries with respect to Sections 14.2, 14.3, 14.4 and 14.5.

14.7 Term and Termination. This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 14.7, shall continue in effect for a term of one year or until the system impact study for Interconnection Customer's Small Generating Facility is completed, whichever event occurs first. Interconnection Customer or the NYISO and Transmission Owner may terminate this Agreement upon the withdrawal of Developer's Interconnection Request under Section 4.11 of the SGIP.

14.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to any choice of laws provisions.

14.9 Severability. In the event that any part of this Agreement is deemed as a matter of law to be unenforceable or null or void, such unenforceable or void part shall be deemed severable from this Agreement and the Agreement shall continue in full force and effect as if each part was not contained herein.

14.10 Counterparts. This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as the original instrument.

14.11 Amendment. No amendment, modification or waiver of any term hereof shall be effective unless set forth in writing signed by the Parties hereto.

14.12 Survival. All warranties, limitations of liability, indemnification and confidentiality provisions provided herein shall survive the expiration or termination hereof.

14.13 Independent Contractor. The NYISO and Transmission Owner shall at all times be deemed to be an independent contractor and none of their employees or the employees of its subcontractors shall be considered to be employees of Interconnection Customer as a result of this Agreement.

14.14 No Implied Waivers. The failure of a Party to insist upon or enforce strict performance of any of the provisions of this Agreement shall not be construed as a waiver or relinquishment to any extent of such party's right to insist or rely on any such provision, rights and remedies in that or any other instances; rather, the same shall be and remain in full force and effect.

14.15 Successors and Assigns. This Agreement, and each and every term and condition hereof, shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns. No assignment shall be permitted where the assignee is currently in litigation with one of the Parties to this Agreement, except with the consent of the affected Party.

14.16 Due Authorization. Each Party to this Agreement represents and warrants that it has full power and authority to enter into this Agreement and to perform its obligations hereunder, that execution of this Agreement will not violate any other agreement with a third party, and that the person signing this Agreement on its behalf has been properly authorized and empowered to enter into this Agreement.

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

[Insert name of Transmission Provider]	**[Insert name of Interconnection Customer]**
_____	_____

Signed_____	Signed_____
Name (Printed):	Name (Printed):
_____	_____
Title_____	Title_____

NYISO

Signed_____

Name (Printed):

_____

Title_____

Attachment A to System Impact Study Agreement

Assumptions Used in Conducting the System Impact Study

The system impact study shall be based upon the results of the feasibility study, subject to any modifications in accordance with the ~~standard Small Generator Interconnection Procedures~~SGIP, 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) are to be completed by the Interconnection Customer. Other assumptions (listed below) are to be provided by the Interconnection Customer and the Transmission ~~Provider~~Owner.

~~Attachment~~**Appendix 8**

Facilities Study Agreement

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

RECITALS

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

WHEREAS, the Interconnection Customer desires to interconnect the Small Generating Facility with **[the** ~~Transmission Provider's~~**New York State Transmission System or the Distribution System]**;

WHEREAS, the **[NYISO or Transmission** ~~Provider~~**Owner]** has completed a system impact study and provided the results of said study to the Interconnection Customer; and

WHEREAS, the Interconnection Customer has requested the **[NYISO or Transmission** ~~Provider~~**Owner]** to perform, or cause to be performed, a facilities study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to ~~implement the conclusions of the system impact study in accordance with Good Utility Practice to~~ physically and electrically connect the Small Generating Facility with the ~~Transmission Provider's~~**[New York State Transmission System or the 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 ~~the standard Small Generator Interconnection Procedures~~Section 1.1.2 of the SGIP.

2.0 The Interconnection Customer elects and the **[NYISO or Transmission** ~~Provider~~**Owner]** shall cause a facilities study ~~consistent with the standard Small Generator Interconnection Procedures~~ to be performed in accordance with the requirements of Attachment Z of the NYISO Open Access Transmission Tariff.

3.0 The scope of the facilities study shall be subject to data provided in Attachment A to this Agreement and shall be made an exhibit thereto.

4.0 ~~4.0~~ The 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 system impact study(s) and to complete any additional power flow and similar analysis that may be appropriate. The 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 Transmission ~~Provider~~Owner'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 ~~5.0~~ The Transmission ~~Provider~~Owner 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 Small Generating Facility if it is willing to pay the costs of those facilities in accordance with the SGIP.

6.0 ~~A deposit of~~The Interconnection Customer shall provide to the **[NYISO or Transmission Owner]** a deposit or other commercially reasonable security in an amount equal to the good faith estimated facilities study costs ~~may be required from the Interconnection Customer~~.

7.0 ~~In cases where Upgrades are required, the facilities study must be completed within 45 Business Days of the receipt of this Agreement. In cases where no Upgrades are necessary, and the required facilities are limited to Interconnection Facilities~~Except to the extent required by the NYISO OATT Attachment S cost allocation process, the facilities study must be completed within 30 Business Days after this Agreement is signed for Interconnection Requests no larger than 2 MW and no later than 60 Business Days after this Agreement is signed for Interconnection Requests greater than 2 MW.

8.0 Once the facilities study is completed, a facilities study report shall be prepared and promptly transmitted to the Interconnection Customer~~. Barring unusual circumstances, the facilities study must be completed and the facilities study report transmitted within 30 Business Days of the Interconnection Customer's agreement to conduct a facilities study~~.

9.0 Any Transmission Owner and NYISO study ~~fees~~costs shall be based on ~~the Transmission Provider's~~their actual costs, including applicable taxes, and will be invoiced to the Interconnection Customer after the study is completed and delivered and will include a summary of professional time.

10.0 The Interconnection Customer ~~must pay any study costs that exceed~~shall pay all invoice amounts in excess of the deposit or other security without interest within 30 calendar days ~~on~~after receipt of the invoice ~~or resolution of any dispute~~. Failure to do so shall be deemed a withdrawal of the Interconnection Request under Section 4.11 of the SGIP. If the deposit or other cash security exceeds the invoiced fees, the **[NYISO or Transmission** ~~Provider~~**Owner]** shall refund such excess within 30 calendar days of the invoice without interest. If the Interconnection Customer disputes an amount to be paid the Interconnection Customer shall pay the disputed amount to the **[NYISO or Transmission Owner]** or into an interest bearing escrow account, pending resolution of the dispute in accordance with Section 4.2 of the SGIP. To the extent the dispute is resolved in the Interconnection Customer's favor, that portion of the disputed amount will be returned to the Interconnection Customer with interest at rates applicable to refunds under the Commission's regulations. To the extent the dispute is resolved in the **[NYISO's or Transmission Owner's]** favor, that portion of any escrowed funds and interest will be released to the **[NYISO or Transmission Owner]**. The Transmission Owner and the NYISO shall not be obligated to perform or continue to perform any Interconnection Study work for the Interconnection Customer unless the Interconnection Customer has paid all amounts in compliance herewith.

11.0 The NYISO shall be available to help resolve any disputes that arise between the Interconnection Customer and Transmission Owner regarding this facilities study. Such disputes shall be resolved in accordance with the procedures set forth in Section 4.2 of the SGIP contained in Attachment Z of the NYISO OATT.

12.0 Miscellaneous.

12.1 Accuracy of Information. Except as Interconnection Customer may otherwise specify in writing when it provides information to the Transmission Owner and NYISO under this Agreement, Interconnection Customer represents and warrants that the information it provides to the Transmission Owner and NYISO shall be accurate and complete as of the date the information is provided. Interconnection Customer shall promptly provide the Transmission Owner with any additional information needed to update information previously provided.

12.2 Disclaimer of Warranty. In preparing the facilities study, the Transmission Owner and any subcontractor consultants employed by the **[NYISO or Transmission Owner]** shall have to rely on information provided by Interconnection Customer, and possible by third parties, and may not have control over the accuracy of such information. Accordingly, neither the **[NYISO or Transmission Owner]** nor any subcontractor consultant employed by the **[NYISO or Transmission Owner]** makes any warranties, express or implied, whether arising by operation of law, course of performance or dealing, custom, usage in the trade or profession, or otherwise, including without limitation implied warranties or merchantability and fitness for a particular purpose, with regard to the accuracy, content or conclusions of the facilities study. Developer acknowledges that it has not relied on any representations or warranties not

specifically set forth herein and that no such representation or warranties have formed the basis of its bargain hereunder.

12.3 Force Majeure. None of the Parties shall be considered in default as to any obligation under this Agreement if prevented from fulfilling the obligation due to an event of Force Majeure; provided that no event of Force Majeure affecting any Party shall excuse that Party from making any payment it is obligated to make hereunder. However, a Party whose performance under this Agreement is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Agreement, and shall promptly notify the other Parties of the commencement and end of each event of Force Majeure.

12.4 Limitations of Liability. In no event shall any Party or its subcontractor consultant be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the facilities study or any reliance on the facilities study by Developer or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall the NYISO or Transmission Owner be liable for any delay in delivery or for the non-performance or delay in performance of the Transmission Owner's obligations under this Agreement.

12.5 Indemnification. Interconnection Customer shall at all times indemnify, defend, and save harmless Transmission Owner and NYISO, and their respective directors, officers, members, employees and agents from any and all damages, losses, claims and liabilities ("Losses") by or to third parties arising out of or resulting from the performance by the Transmission Owner or NYISO under this Agreement, any bankruptcy filings made by Interconnection Customer, or the actions or omissions of Interconnection Customer in connection with this Agreement, except to the extent such Losses arise from the gross negligence or willful misconduct by Transmission Owner or NYISO or their respective directors, officers, members, employees or agents. The amount of any indemnity payment hereunder shall be reduced (including, without limitation, retroactively) by any insurance proceeds or other amounts actually recovered by the indemnified party in respect of the indemnified action, claim, demand, cost, damage or liability. The obligations of Interconnection Customer to indemnify Transmission Owner shall be several, and not joint or joint and several.

12.6 Third-Party Beneficiaries. Without limitation of Sections 12.2, 12.3 and 12.5 of this Agreement, Interconnection Customer further agrees that subcontractor consultant hired by the NYISO or Transmission Owner to conduct or review, or to assist in the conducting or reviewing, a facilities study shall be deemed third party beneficiaries with respect to Sections 12.2, 12.3 and 12.5.

12.7 Term and Termination. This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 12.7, shall continue

in effect for a term of one year or until the facilities study for Interconnection Customer's Small Generating Facility is completed, whichever event occurs first. Interconnection Customer or the NYISO and Transmission Owner may terminate this Agreement upon the withdrawal of Developer's Interconnection Request under Section 4.11 of the SGIP.

12.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to any choice of laws provisions.

12.9 Severability. In the event that any part of this Agreement is deemed as a matter of law to be unenforceable or null or void, such unenforceable or void part shall be deemed severable from this Agreement and the Agreement shall continue in full force and effect as if each part was not contained herein.

12.10 Counterparts. This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as the original instrument.

12.11 Amendment. No amendment, modification or waiver of any term hereof shall be effective unless set forth in writing signed by the Parties hereto.

12.12 Survival. All warranties, limitations of liability, indemnification and confidentiality provisions provided herein shall survive the expiration or termination hereof.

12.13 Independent Contractor. The NYISO and Transmission Owner shall at all times be deemed to be an independent contractor and none of their employees or the employees of its subcontractors shall be considered to be employees of Interconnection Customer as a result of this Agreement.

12.14 No Implied Waivers. The failure of a Party to insist upon or enforce strict performance of any of the provisions of this Agreement shall not be construed as a waiver or relinquishment to any extent of such party's right to insist or rely on any such provision, rights and remedies in that or any other instances; rather, the same shall be and remain in full force and effect.

12.15 Successors and Assigns. This Agreement, and each and every term and condition hereof, shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns. No assignment shall be permitted where the assignee is currently in litigation with one of the Parties to this Agreement, except with the consent of the affected Party.

12.16 Due Authorization. Each Party to this Agreement represents and warrants that it has full power and authority to enter into this Agreement and to perform its obligations hereunder, that execution of this Agreement will not violate any other

agreement with a third party, and that the person signing this Agreement on its behalf has been properly authorized and empowered to enter into this Agreement.

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

[Insert name of Transmission Provider]	**[Insert name of Interconnection Customer]**
_____	_____
Signed_____	Signed_____
Name (Printed):	Name (Printed):
_____	_____
Title_____	Title_____

NYISO

Signed_____

Name (Printed):

_____

Title_____

Attachment A to
Facilities Study Agreement

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

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

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

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

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

Will an alternate source of auxiliary power be available during CT/PT maintenance?
Yes ____ No ____

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

What type of control system or PLC will be located at the Small Generating Facility?

_____

_____

What protocol does the control system or PLC use?

_____

_____

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

Bus length from generation to interconnection station:

_____

Physical dimensions of the proposed interconnection station:

_____

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

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

Number of third party easements required for transmission lines*:

---

* To be completed in coordination with Transmission ~~Provider~~Owner.

Is the Small Generating Facility located in Transmission ~~Provider~~Owner's service area?

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

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:_____