

New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

First Revised Sheet No. 740A
Superseding Substitute Original Sheet No. 740A

STANDARD LARGE FACILITY INTERCONNECTION PROCEDURES

**(Applicable to Generating Facilities that exceed 20 MWs
and to Merchant Transmission Facilities)**

Issued by: William J. Museler, President
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Section 1. Definitions.

Whenever used in these Large Facility Interconnection Procedures with initial capitalization, the following terms shall have the meanings specified in this Section 1. Terms used in these procedures with initial capitalization that are not defined in this Section 1 shall have the meanings specified in Section 1.0 or Attachment S of the NYISO OATT.

Affected System shall mean an electric system other than the transmission system owned, controlled or operated by the NYISO or the Transmission Owner that may be affected by the proposed interconnection.

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

Applicable Laws and Regulations shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority, including but not limited to Environmental Law.

Applicable Reliability Councils shall mean the NERC, the NPCC and the NYSRC.

Applicable Reliability Standards shall mean the requirements and guidelines of the Applicable Reliability Councils, and the Transmission District, to which the Developer's Large Facility is directly interconnected, as those 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 or validity of any requirement or guideline as applied to it in the context of the Large Facility Interconnection Procedures.

Attachment Facilities shall mean the Transmission Owner's Attachment Facilities and the Developer's Attachment Facilities. Collectively, Attachment Facilities include all facilities and equipment between the Large Generating Facility or Merchant Transmission Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Large Facility to the New York State Transmission System. Attachment Facilities are sole use facilities and shall not include Stand Alone System Upgrade Facilities or System Upgrade Facilities.

Base Case shall mean the base case power flow, short circuit, and stability data bases used for the Interconnection Studies by NYISO, Transmission Owner or Developer; described in Section 2.3 of the Large Facility Interconnection Procedures.

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

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

Business Day shall mean Monday through Friday, excluding federal holidays.

Calendar Day shall mean any day including Saturday, Sunday or a federal holiday.

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

Commercial Operation shall mean the status of a Large Facility that has commenced generating or transmitting electricity for sale, excluding electricity generated or transmitted during Trial Operation.

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

Confidential Information shall mean any information that is defined as confidential by Section 13.1 of the Large Facility Interconnection Procedures.

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

Developer's Attachment Facilities shall mean all facilities and equipment, as identified in Appendix A of the Standard Large Generator Interconnection Agreement, that are located between the Large Generating Facility or Merchant Transmission Facility and the Point of Change of Ownership, including any modification, addition, or upgrades to such facilities and equipment necessary to physically and electrically interconnect the Large Generating Facility or Merchant Transmission Facility to the New York State Transmission System. Developer's Attachment Facilities are sole use facilities.

Dispute Resolution shall mean the procedure described in Section 13.5 of the Large Facility Interconnection Procedures for resolution of a dispute between the Parties.

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Effective Date shall mean the date on which the Standard Large Generator Interconnection Agreement becomes effective upon execution by the Parties, subject to acceptance by the Commission, or if filed unexecuted, upon the date specified by the Commission.

Engineering & Procurement (E&P) Agreement shall mean an agreement that authorizes Transmission Owner to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection in order to advance the implementation of the Interconnection Request.

Environmental Law shall mean Applicable Laws or Regulations relating to pollution or protection of the environment or natural resources.

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

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

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

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

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

Initial Synchronization Date shall mean the date upon which the Large Generating Facility or Merchant Transmission Facility is initially synchronized and upon which Trial Operation begins.

In-Service Date shall mean the date upon which the Developer reasonably expects it will be ready to begin use of the Transmission Owner’s Attachment Facilities to obtain back feed power.

Interconnection Facilities Study shall mean a study conducted by NYISO or a third party consultant for the Developer to determine a list of facilities (including Transmission Owner’s Attachment Facilities and System Upgrade Facilities as identified in the Interconnection System Reliability Impact Study), the cost of those facilities, and the time required to interconnect the Large Generating Facility or Merchant Transmission Facility with the New York State Transmission System. The scope of the study is defined in Section 8 of the Standard Large Facility Interconnection Procedures.

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

Interconnection Feasibility Study shall mean a preliminary evaluation of the system impact and cost of interconnecting the Large Generating Facility or Merchant Transmission Facility to the New York State Transmission System, the scope of which is described in Section 6 of the Standard Large Facility Interconnection Procedures.

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

Interconnection Request shall mean Developer's request, in the form of Appendix 1 to the Standard Large Facility Interconnection Procedures, in accordance with the Tariff, to interconnect a new Large Generating Facility or Merchant Transmission Facility to the New York State Transmission System, or to increase the capacity of, or make a material modification to the operating characteristics of, an existing Large Generating Facility or Merchant Transmission Facility that is interconnected with the New York State Transmission System.

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

Interconnection System Reliability Impact Study ("SRIS") shall mean an engineering study that evaluates the impact of the proposed Large Generation Facility or Merchant Transmission Facility on the safety and reliability of the New York State Transmission System and, if applicable, an Affected System, to determine what Attachment Facilities and System Upgrade Facilities are needed for the proposed Large Generation Facility or Merchant Transmission Facility of the Developer to connect reliably to the New York State Transmission System in a manner that meets the NYISO Minimum Interconnection Standard. The scope of the SRIS is defined in Section 7.3 of the Large Facility Interconnection Procedures.

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

IRS shall mean the Internal Revenue Service.

Large Facility shall mean either a Large Generating Facility or a Merchant Transmission Facility.

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

Loss shall mean any and all losses relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the Indemnified Party's performance or non-performance of its obligations under the Large Generator Interconnection Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the Indemnified Party.

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

Merchant Transmission Facility shall mean Developer's device for the transmission of electricity identified in the Interconnection Request, but shall not include Developer's Attachment Facilities. Merchant Transmission Facilities shall be those for which the Developer intends to receive approval from the Federal Energy Regulatory Commission to charge market-based rates. Merchant Transmission Facilities shall not include upgrades or additions to the New York State Transmission System for which the owner does not have market-based rate authority.

Metering Equipment shall mean all metering equipment installed or to be installed at the Large Generating or Merchant Transmission Facility pursuant to the Standard Large Generator Interconnection Agreement at the metering points, including but not limited to instrument transformers, MWh-meters, data acquisition equipment, transducers, remote terminal unit, communications equipment, phone lines, and fiber optics.

Minimum Interconnection Standard shall mean the reliability standard that must be met by any Large Generating Facility, or a Merchant Transmission Facility, proposing to connect to the New York State Transmission System. The Standard is designed to ensure reliable access by the proposed project to the New York State Transmission System. The Standard does not impose any deliverability test or deliverability requirement on the proposed interconnection.

Network Access Interconnection Service shall mean the service provided by NYISO to interconnect the Developer's Large Generating Facility or Merchant Transmission Facility to the New York State Transmission System in accordance with the NYISO Minimum Interconnection Standard, to enable the New York State Transmission System to receive electric energy and capacity from the Large Generating Facility or Merchant Transmission Facility at the Point of Interconnection, pursuant to the terms of the NYISO OATT.

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

NPCC shall mean the Northeast Power Coordinating Council or its successor organization.

NYISO shall mean the New York Independent System Operator, Inc.

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

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

Party or Parties shall mean NYISO, Transmission Owner, or Developer or any combination of the above.

Point of Change of Ownership shall mean the point, as set forth in Appendix A to the Standard Large Generator Interconnection Agreement, where the Developer's Attachment Facilities connect to the Transmission Owner's Attachment Facilities.

Point of Interconnection shall mean the point, as set forth in Appendix A to the Standard Large Generator Interconnection Agreement, where the Attachment Facilities connect to the New York State Transmission System.

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

Reasonable Efforts shall mean, with respect to an action required to be attempted or taken by a Party under the Standard Large Facility Interconnection Procedures or Standard Large Generator Interconnection Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

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

Services Tariff shall mean the NYISO Market Administration and Control Area Tariff, as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff thereto.

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

Stand Alone System Upgrade Facilities shall mean System Upgrade Facilities that a Developer may construct without affecting day-to-day operations of the New York State Transmission System during their construction. NYISO, the Transmission Owner and the Developer must agree as to what constitutes Stand Alone System Upgrade Facilities and identify them in Appendix A to the Standard Large Generator Interconnection Agreement.

Standard Large Facility Interconnection Procedures (“LFIP”) shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Large Generating Facility or Merchant Transmission Facility that are included in Attachment X of the NYISO OATT.

Standard Large Generator Interconnection Agreement (“LGIA”) shall mean the form of interconnection agreement applicable to a Interconnection Request pertaining to a Large Generating Facility, that is included in Attachment X of the NYISO OATT.

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

Tariff shall mean the NYISO Open Access Transmission Tariff (“OATT”), as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff.

Transmission Owner shall mean the 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 at the Point of Interconnection, and (iii) is a Party to the Standard Large Generator Interconnection Agreement.

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

Trial Operation shall mean the period during which Developer is engaged in on-site test operations and commissioning of the Large Generating Facility or Merchant Transmission Facility prior to Commercial Operation.

Section 2. Scope and Application.

2.1 Application of Standard Large Facility Interconnection Procedures.

Sections 2 through 13 apply to processing an Interconnection Request pertaining to a Large Generating Facility or Merchant Transmission Facility proposing to interconnect to the New York State Transmission System.

2.2 Comparability.

The NYISO shall receive, process and analyze all Interconnection Requests in a timely manner as set forth in the Large Facility Interconnection Procedures. As described herein, the NYISO will process and analyze all Interconnection Requests with independence and impartiality, in cooperation with and with input from the Developers, Transmission Owners and other Market Participants. The NYISO will perform, oversee or review the Interconnection Studies to ensure compliance with the Large Facility Interconnection Procedures. The NYISO will

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use the same Reasonable Efforts in processing and analyzing Interconnection Requests from all Developers, whether or not the Large Generating Facilities or Merchant Transmission are owned by a Transmission Owner, its subsidiaries or Affiliates, or others.

2.3 Base Case Data.

The NYISO or Transmission Owner, depending upon which of those Parties possesses the data requested, shall provide base power flow, short circuit and stability databases, including all underlying assumptions and contingency lists, to the Developer upon request. All Parties shall treat Confidential Information in accordance with Section 13.1 of these Large Facility Interconnection Procedures. The NYISO and Transmission Owner are permitted to require that the Developer sign a confidentiality agreement before the release of Confidential Information or Critical Energy Infrastructure Information in the Base Case Data. The power flow data bases provided shall be those that the NYISO submitted with the most recent FERC Form 715 Report prior to the request. The vintage of the short circuit and stability data bases provided shall correspond to that of the power flow data bases provided. Such databases and lists, hereinafter referred to as Base Cases, shall include all proposed generation and transmission facilities that are included in the baseline system modeled for the Annual Transmission Baseline Assessment conducted pursuant Attachment S to the NYISO OATT.

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2.4 No Applicability to Transmission Service or Other Services.

Nothing in these Large Facility Interconnection Procedures shall constitute a request for Transmission Service or confer upon a Developer any right to receive Transmission Service. Nothing in these Large Facility Interconnection Procedures shall constitute a request for, nor agreement to provide, any energy, Ancillary Services or Installed Capacity under the NYISO Services Tariff.

Section 3. Interconnection Requests.

3.1 General.

A Developer shall submit to the NYISO a Interconnection Request in the form of Appendix 1 to these Large Facility Interconnection Procedures and a refundable deposit of \$10,000. The NYISO shall apply the deposit toward the cost of an Interconnection Feasibility Study. The Developer shall submit a separate Interconnection Request for each site and may submit multiple Interconnection Requests for a single site. The Developer must submit a deposit with each Interconnection Request even when more than one request is submitted for a single site. A Interconnection Request to evaluate one site at two different voltage levels shall be treated as two Interconnection Requests.

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At Developer's option, the NYISO, Transmission Owner and Developer will identify alternative Point(s) of Interconnection and configurations at the Scoping Meeting to evaluate in this process and attempt to eliminate alternatives in a reasonable fashion given resources and information available. Developer will select the definitive Point(s) of Interconnection to be studied no later than the execution of the Interconnection Feasibility Study Agreement.

3.2 Type of Interconnection Service.

3.2.1 The Product. The NYISO offers Network Access Interconnection Service under the Large Facility Interconnection Procedures.

3.2.2 The Studies. The Interconnection Studies conducted under the Large Facility Interconnection Procedures consist of short circuit/fault duty, steady state (thermal and voltage) and stability analyses designed to identify the Attachment Facilities and System Upgrade Facilities required for the reliable interconnection of Large Facilities to the New York State Transmission System in compliance with the NYISO Minimum Interconnection Standard.

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3.3 Valid Interconnection Request.

3.3.1 Initiating an Interconnection Request.

To initiate an Interconnection Request, Developer must submit all of the following: (i) a \$10,000 deposit, (ii) a completed application in the form of Appendix 1, and (iii) demonstration of Site Control or a posting of an additional deposit of \$10,000. Such deposits shall be applied toward any Interconnection Studies pursuant to the Interconnection Request. If Developer demonstrates Site Control within the cure period specified in Section 3.3.3 after submitting its Interconnection Request, the additional deposit shall be refundable; otherwise, all such deposit(s), additional and initial, become non-refundable.

The expected In-Service Date of the new Large Facility or proposed increase in capacity of the existing Large Generating Facility or Merchant Transmission Facility shall be no more than the process window for the regional expansion planning period (or prior to the establishment of a regional planning process, the process window for the NYISO's expansion planning period) not to exceed seven years from the date the Interconnection Request is received by the NYISO,

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unless the Developer demonstrates that engineering, permitting and construction of the new Large Facility or increase in capacity of the existing Large Facility will take longer than the regional expansion planning period. The In-Service Date may succeed the date the Interconnection Request is received by the NYISO by a period up to ten years, or longer where the Developer and NYISO agree after consultation with the Transmission Owner, such agreement not to be unreasonably withheld.

3.3.2 Acknowledgment and Notification of Interconnection Request.

NYISO shall acknowledge receipt of the Interconnection Request within five (5) Business Days of receipt of the request and attach a copy of the received Interconnection Request to the acknowledgement it returns to the Developer. At the same time, NYISO shall forward a copy of the Interconnection Request and its acknowledgement to the Transmission Owner with whom the Developer is proposing to connect.

3.3.3 Deficiencies in Interconnection Request.

An Interconnection Request will not be considered to be a valid request until all items in Section 3.3.1 have been received by the NYISO. If a

Interconnection Request fails to meet the requirements set forth in Section 3.3.1, the NYISO shall notify the Developer and Transmission Owner within five (5) Business Days of receipt of the initial Interconnection Request of the reasons for such failure and that the Interconnection Request does not constitute a valid request. Developer shall provide the NYISO the additional requested information needed to constitute a valid request within ten (10) Business Days after receipt of such notice. NYISO shall promptly forward such information to the Transmission Owner. Failure by Developer to comply with this Section 3.3.3 shall be treated in accordance with Section 3.6.

3.3.4 Scoping Meeting.

Within ten (10) Business Days after receipt of a valid Interconnection Request, NYISO shall establish a date agreeable to Developer and Transmission Owner for the Scoping Meeting, and such date shall be no later than thirty (30) Calendar Days from receipt of the valid Interconnection Request, unless otherwise mutually agreed upon by the Parties.

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The purpose of the Scoping Meeting shall be to discuss alternative interconnection options, to exchange information including any transmission data that would reasonably be expected to impact such interconnection options, to analyze such information and to determine the potential feasible Points of Interconnection. NYISO, Transmission Owner and Developer will bring to the meeting such technical data, including, but not limited to: (i) general facility loadings, (ii) general stability issues, (iii) general short circuit issues, (iv) general voltage issues, (v) general reliability issues, and (vi) general system protection issues as may be reasonably required to accomplish the purpose of the meeting. NYISO, Transmission Owner and Developer will also bring to the meeting personnel and other resources as may be reasonably required to accomplish the purpose of the meeting in the time allocated for the meeting. On the basis of the meeting, Developer shall designate its Point of Interconnection, pursuant to Section 6.1, and one or more available alternative Point(s) of Interconnection. The duration of the meeting shall be sufficient to accomplish its purpose.

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3.4 OASIS Posting.

The NYISO will maintain on its OASIS a list of all valid Interconnection Requests. The list will identify, for each Interconnection Request: (i) the maximum summer and winter megawatt electrical output; (ii) the location by county and state; (iii) the station or transmission line or lines where the interconnection will be made; (iv) the projected In-Service Date; (v) the status of the Interconnection Request, including Queue Position; (vi) the identity of the Developer; and (vii) the availability of any studies related to the Interconnection Request; (viii) the date of the Interconnection Request; (ix) the type of Large Facility to be constructed (combined cycle, base load or combustion turbine and fuel type); and (x) for Interconnection Requests that have not resulted in a completed interconnection, an explanation as to why it was not completed.

Before holding a Scoping Meeting with an Affiliate of a Transmission Owner and that Transmission Owner, the NYISO shall post on its OASIS an advance notice of its intent to do so. The NYISO shall post to its OASIS site any deviations from the study timelines set forth herein. Interconnection Study reports and Optional Interconnection Study reports shall be posted to the NYISO OASIS site subsequent to the meeting between the Developer, NYISO and Transmission Owner to discuss the applicable study results. The NYISO shall also post any known deviations in the Large Facility's In-Service Date.

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3.5 Coordination with Affected Systems.

The NYISO will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators and, if possible, include those results (if available) in its applicable Interconnection Study within the time frame specified in these Large Facility Interconnection Procedures. The NYISO will invite such Affected System Operators to all meetings held with the Developer as required by these Large Facility Interconnection Procedures. The Developer will cooperate with the NYISO in all matters related to the conduct of studies and the determination of modifications to Affected Systems. An Affected System Operator shall cooperate with the NYISO and Transmission Owner with whom interconnection has been requested in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

3.6 Withdrawal.

The Developer may withdraw its Interconnection Request at any time by written notice of such withdrawal to the NYISO. In addition, if the Developer fails to adhere to all requirements of these Large Facility Interconnection Procedures, except as provided in Section 13.5 (Disputes), the NYISO shall deem the

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Interconnection Request to be withdrawn and shall provide written notice to the Developer of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, the Developer shall have fifteen (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.

Withdrawal shall result in the loss of the Developer's Queue Position. If a Developer disputes the withdrawal and loss of its Queue Position, then during Dispute Resolution, the Developer's Interconnection Request is eliminated from the queue until such time that the outcome of Dispute Resolution would restore its Queue Position. A Developer that withdraws or is deemed to have withdrawn its Interconnection Request shall pay to the NYISO and Transmission Owner all costs that the NYISO and Transmission Owner prudently incur with respect to that Interconnection Request prior to the receipt of notice described above. The Developer must pay all monies due to the NYISO and Transmission Owner before it is allowed to obtain any Interconnection Study data or results.

The NYISO shall (i) update the OASIS Queue Position posting and (ii) refund to the Developer any portion of the Developer's deposit or study payments that

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exceeds the costs that the NYISO has 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 13.1, shall provide, at Developer'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.

Section 4. Queue Position.

4.1 General.

The NYISO shall assign a Queue Position based upon the date and time of receipt of the valid Interconnection Request; provided that, if the sole reason an Interconnection Request is not valid is the lack of required information on the application form, and the Developer provides such information in accordance with Section 3.3.3, then the NYISO shall assign the Developer a Queue Position based on the date the application form was originally filed. Moving a Point of Interconnection shall result in a lowering of Queue Position if it is deemed a Material Modification under Section 4.4.3.

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The Queue Position of each Interconnection Request will be used to determine the order of performing the Interconnection Studies. A higher queued Interconnection Request is one that has been placed “earlier” in the queue in relation to another Interconnection Request that is lower queued.

4.2 Clustering.

At NYISO’s option, Interconnection Requests may be studied serially or in clusters for the purpose of the Interconnection System Reliability Impact Study.

Clustering shall be implemented on the basis of Queue Position. If the NYISO elects to study Interconnection Requests using Clustering, all Interconnection Requests received within a period not to exceed one hundred and eighty (180) Calendar Days, hereinafter referred to as the “Queue Cluster Window” shall be studied together. Deadlines for completing all Interconnection System Reliability Impact Studies for which an Interconnection Study Agreement has been executed during a Queue Cluster Window shall be in accordance with Section 7.4, for all Interconnection Requests assigned to the same Queue Cluster Window. The

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NYISO may study an Interconnection Request separately to the extent warranted by Good Utility Practice based upon the electrical remoteness of the proposed Large Facility.

Clustering Interconnection System Reliability Impact Studies shall be conducted in such a manner to ensure the efficient implementation of the applicable regional transmission expansion plan in light of the New York State Transmission System capabilities at the time of each study.

The Queue Cluster Window shall have a fixed time interval based on fixed annual opening and closing dates. Any changes to the established Queue Cluster Window interval and opening or closing dates shall be announced with a posting on the NYISO's OASIS beginning at least one hundred and eighty (180) Calendar Days in advance of the change and continuing thereafter through the end date of the first Queue Cluster Window that is to be modified.

4.3 Transferability of Queue Position.

A Developer may transfer its Queue Position to another entity only if such entity acquires the specific Large Facility identified in the Interconnection Request and

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the Point of Interconnection does not change. As a result of such a transfer, the acquiring entity shall become the Developer of the specific Large Facility identified in the Interconnection Request.

4.4 Modifications.

The Developer shall submit to the NYISO, in writing, modifications to any information provided in the Interconnection Request. The Developer shall retain its Queue Position if the modifications are in accordance with Sections 4.4.1, 4.4.2 or 4.4.5, or are determined not to be Material Modifications pursuant to Section 4.4.3.

Notwithstanding the above, during the course of the Interconnection Studies, either the Developer or the NYISO or Transmission Owner may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the New York State Transmission System to accommodate the Interconnection Request. To the extent the identified changes are acceptable to the NYISO, Transmission Owner and Developer, such acceptance not to be unreasonably withheld, NYISO shall modify the Point of Interconnection and/or configuration in accordance with such

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changes and proceed with any re-studies necessary to do so in accordance with Section 6.4, Section 7.6 and Section 8.5 as applicable and Developer shall retain its Queue Position.

4.4.1 Prior to the return of the executed Interconnection System Reliability Impact Study Agreement to the NYISO, modifications permitted under this Section shall include specifically: (a) a decrease of up to 60 percent of electrical output (MW) of the proposed project; (b) modifying the technical parameters associated with the Large Facility technology or the Large Generating Facility step-up transformer impedance characteristics; and (c) modifying the interconnection configuration. For plant increases, the incremental increase in plant output will go to the end of the queue for the purposes of study analysis.

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

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

4.4.3 Prior to making any modification other than those specifically permitted by Sections 4.4.1, 4.4.2, and 4.4.5, Developer may first request that the NYISO evaluate whether such modification is a Material Modification. In response to Developer's request, the NYISO shall evaluate the proposed modifications prior to making them and inform the Developer in writing of whether the modifications would constitute a Material Modification. Any change to the Point of Interconnection except those deemed acceptable under Section 4.4.1, 6.1, 7.2 or so allowed elsewhere shall constitute a Material Modification. The Developer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

4.4.4 Upon receipt of Developer's request for modification permitted under this Section 4.4, the NYISO shall commence and perform any necessary additional studies as soon as practicable, but in no event shall the NYISO commence such studies later than thirty (30) Calendar Days

after receiving notice of Developer's request. Any additional studies resulting from such modification shall be done at Developer's cost.

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

Section 5. Procedures for Interconnection Requests Submitted Prior to Effective Date of Standard Large Facility Interconnection Procedures.

5.1 Queue Position for Pending Requests.

5.1.1 Any Developer assigned a Queue Position prior to the effective date of these Large Facility Interconnection Procedures shall retain that Queue Position.

5.1.1.1 If an Interconnection Study Agreement has not been executed as of the effective date of these Large Facility Interconnection Procedures, then such Interconnection Study, and any subsequent Interconnection Studies, shall be processed in accordance with these Large Facility Interconnection Procedures.

5.1.1.2 If an Interconnection Study Agreement has been executed prior to the effective date of these Large Facility Interconnection Procedures, such Interconnection Study shall be completed in accordance with the terms of such agreement. With respect to any remaining studies for which a Developer has not signed an Interconnection Study Agreement prior to the effective date of these Large Facility Interconnection Procedures, the NYISO must offer the Developer the option of either continuing under the NYISO's existing interconnection study process or going forward with the completion of the necessary Interconnection Studies (for which it does not have a signed Interconnection Studies Agreement) in accordance with these Large Facility Interconnection Procedures.

5.1.1.3 If a Standard Large Generator Interconnection Agreement has been submitted to the Commission for approval before the effective date of these Standard Large Facility Interconnection Procedures, then the Standard Large Generator Interconnection Agreement would be grandfathered.

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5.1.2 Transition Period.

To the extent necessary, the NYISO and Developers with an outstanding request (i.e., an Interconnection Request for which an interconnection agreement has not been submitted to the Commission for approval as of the effective date of these Large Facility Interconnection Procedures) shall transition to these procedures within a reasonable period of time not to exceed sixty (60) Calendar Days. The use of the term “outstanding request” herein shall mean any Interconnection Request, on the effective date of these Large Facility Interconnection Procedures: (i) that has been submitted but not yet accepted by the NYISO; (ii) where the related interconnection agreement has not yet been submitted to the Commission for approval in executed or unexecuted form, (iii) where the relevant Interconnection Study Agreements have not yet been executed, or (iv) where any of the relevant Interconnection Studies are in process but not yet completed. Any Developer with an outstanding request as of the effective date of these Large Facility Interconnection Procedures may request a reasonable extension of any deadline, otherwise applicable, if necessary

to avoid undue hardship or prejudice to its Interconnection Request. A reasonable extension shall be granted by the NYISO to the extent consistent with the intent and process provided for under these Large Facility Interconnection Procedures.

5.2 New Transmission Provider.

If the NYISO transfers its control of the New York State Transmission System to a successor transmission provider during the period when an Interconnection Request is pending, the NYISO shall transfer to the successor transmission provider any amount of the deposit or payment with interest thereon that exceeds the cost that it incurred to evaluate the request for interconnection. Any difference between such net amount and the deposit or payment required by these Large Facility Interconnection Procedures shall be paid by or refunded to the Developer, as appropriate. The NYISO shall coordinate with the successor transmission provider to complete any Interconnection Request (including Interconnection Studies), as appropriate, that the NYISO has begun but has not completed. If the NYISO has tendered a draft Standard Large Generator Interconnection Agreement to the Developer but the Developer has not either executed that interconnection agreement or requested the filing of an unexecuted Standard Large Generator Interconnection Agreement

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with FERC, unless otherwise provided, the Developer must complete negotiations with the successor transmission provider.

Section 6. Interconnection Feasibility Study.

6.1 Interconnection Feasibility Study Agreement.

Simultaneously with the acknowledgement of a valid Interconnection Request the NYISO shall provide to Developer and Transmission Owner an Interconnection Feasibility Study Agreement in the form of Appendix 2. The Interconnection Feasibility Study Agreement shall specify that Developer is responsible for the actual cost of the Interconnection Feasibility Study. Within five (5) Business Days following the Scoping Meeting, Developer shall specify for inclusion in the attachment to the Interconnection Feasibility Study Agreement the Point(s) of Interconnection and any reasonable alternative Point(s) of Interconnection. Within five (5) Business Days following the NYISO's receipt of such designation, NYISO shall tender to Developer the Interconnection Feasibility Study Agreement signed by NYISO and Transmission Owner, which includes a good faith estimate of the cost for completing the Interconnection Feasibility Study. The Developer shall execute and deliver to the NYISO the Interconnection Feasibility Study Agreement along with a \$10,000 deposit no later than thirty (30) Calendar Days after its receipt.

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On or before the return of the executed Interconnection Feasibility Study Agreement to the NYISO, the Developer shall provide the technical data called for in Appendix 2, Attachment A.

If the Interconnection Feasibility Study uncovers any unexpected result(s) not contemplated during the Scoping Meeting, a substitute Point of Interconnection identified by either Developer or Transmission Owner and NYISO, and acceptable to the other Parties, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and Re-studies shall be completed pursuant to Section 6.4 as applicable. For the purpose of this Section 6.1, if the NYISO, Transmission Owner and Developer cannot agree on the substituted Point of Interconnection, then Developer may direct that one of the alternatives as specified in the Interconnection Feasibility Study Agreement, as specified pursuant to Section 3.3.4, shall be the substitute.

If the NYISO, Transmission Owner and Developer agree to forego the Interconnection Feasibility Study, the NYISO will initiate an Interconnection System Reliability Impact Study under Section 7 of these Large Facility Interconnection Procedures and apply the \$10,000 deposit towards the Interconnection System Reliability Impact Study.

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6.2 Scope of Interconnection Feasibility Study.

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

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The Interconnection Feasibility Study shall be conducted in accordance with Applicable Reliability Standards.

The Interconnection Feasibility Study will consider 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 System Upgrade Facilities) that, on the date the Interconnection Feasibility Study is commenced: (i) are directly interconnected to the New York State Transmission System; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending higher queued Interconnection Request to interconnect to the New York State Transmission System; and (iv) have no Queue Position but have executed a Standard Large Generator Interconnection Agreement or requested that an unexecuted Standard Large Generator Interconnection Agreement be filed with FERC. The Interconnection Feasibility Study will consist of a power flow and short circuit analysis. The Interconnection Feasibility Study will provide a list of facilities and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

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6.3 Interconnection Feasibility Study Procedures.

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

6.3.1 Study Report Meeting.

Within ten (10) Business Days of providing an Interconnection Feasibility Study report to Developer, the NYISO and Transmission

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Owner shall meet with Developer to discuss the results of the
Interconnection Feasibility Study.

6.4 Re-Study.

If the NYISO determines that re-study of the Interconnection Feasibility Study is required due to a higher queued project dropping out of the queue, or a modification of a higher queued project subject to Section 4.4, or re-designation of the Point of Interconnection pursuant to Section 6.1 NYISO shall notify Developer in writing. Such re-study shall take not longer than forty-five (45) Calendar Days from the date of the notice. Any cost of re-study shall be borne by the Developer being re-studied.

Section 7. Interconnection System Reliability Impact Study.

7.1 Interconnection System Reliability Impact Study Agreement.

Unless otherwise agreed, pursuant to the Scoping Meeting provided in Section 3.3.4, simultaneously with the delivery of the Interconnection Feasibility Study to the Developer, the NYISO shall provide to the Developer and Transmission Owner an Interconnection System Reliability Impact Study Agreement in the form of Appendix 3 to these Large Facility Interconnection Procedures. The Interconnection System Reliability Impact Study Agreement shall provide that the

Developer shall compensate the NYISO and Transmission Owner for the actual cost of the SRIS. Within three (3) Business Days following the Interconnection Feasibility Study results meeting, the NYISO shall provide to Developer a non-binding good faith estimate of the cost and timeframe for completing the SRIS.

7.2 Execution of Interconnection System Reliability Impact Study Agreement.

The Developer shall execute the Interconnection System Reliability Impact Study Agreement and deliver the executed Interconnection System Reliability Impact Study Agreement to the NYISO no later than thirty (30) Calendar Days after its receipt along with demonstration of Site Control, and a \$50,000 deposit.

If the Developer does not provide all such technical data when it delivers the Interconnection System Reliability Impact Study Agreement, the NYISO shall notify the Developer of the deficiency within five (5) Business Days of the receipt of the executed Interconnection System Reliability Impact Study Agreement and the Developer shall cure the deficiency within ten (10) Business Days of receipt of the notice, provided, however, such deficiency does not include failure to deliver the executed Interconnection System Reliability Impact Study Agreement or deposit.

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If the Interconnection System Reliability Impact Study uncovers any unexpected result(s) not contemplated during the Scoping Meeting and the Interconnection Feasibility Study, a substitute Point of Interconnection identified by either Developer or Transmission Owner and NYISO, and acceptable to the other Parties, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and restudies shall be completed pursuant to Section 7.6 as applicable. For the purpose of this Section 7.2, if the NYISO, Transmission Owner and Developer cannot agree on the substituted Point of Interconnection, then Developer may direct that one of the alternatives as specified in the Interconnection Feasibility Study Agreement, as specified pursuant to Section 3.3.4, shall be the substitute.

7.3 Scope of Interconnection System Reliability Impact Study.

The Interconnection System Reliability Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the New York State Transmission System. The Interconnection System Reliability Impact Study shall be conducted in accordance with Applicable Reliability Standards. The SRIS will consider the Base Case, and if not already included in the Base Case, all

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generating and merchant transmission facilities (and with respect to (iii) below, any identified System Upgrade Facilities associated with such higher queued interconnection) that, on the date the SRIS is commenced: (i) are directly interconnected to the New York State Transmission System; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending higher queued Interconnection Request to interconnect to the New York State Transmission System; and (iv) have no Queue Position but have executed a Standard Large Generator Interconnection Agreement or requested that an unexecuted Standard Large Generator Interconnection Agreement be filed with FERC.

The Interconnection System Reliability Impact Study will consist of a short circuit analysis, a stability analysis, and a power flow analysis. The SRIS will state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing the requested Network Access Interconnection Service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. The SRIS will provide a list of facilities that are required as a result of the Interconnection

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Request and a nonbinding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct. The NYISO Operating Committee shall approve the specific study scope proposed for each Interconnection System Reliability Impact Study.

7.4 Interconnection System Reliability Impact Study Procedures.

The NYISO shall coordinate the Interconnection System Reliability Impact Study with any Affected System that is affected by the Interconnection Request pursuant to Section 3.5 above. The NYISO shall utilize existing studies to the extent practicable when it performs the study. The NYISO shall use Reasonable Efforts to complete the SRIS within ninety (90) Calendar Days after the receipt of the fully executed Interconnection System Reliability Impact Study Agreement, study payment, and technical data. If NYISO uses Clustering, the NYISO shall use Reasonable Efforts to deliver a completed SRIS within ninety (90) Calendar Days after the close of the Queue Cluster Window. The NYISO Operating Committee shall approve each final Interconnection System Reliability Impact Study.

At the request of the Developer or at any time the NYISO determines that it will not meet the required time frame for completing the Interconnection System Reliability Impact Study, NYISO shall notify the Developer as to the schedule

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status of the SRIS. If the NYISO is unable to complete the Interconnection System Reliability Impact Study within the time period, it shall notify the Developer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, the NYISO shall provide the Developer all supporting documentation, workpapers and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases for the SRIS, subject to confidentiality arrangements consistent with Section 13.1.

7.5 Study Report Meeting.

Within ten (10) Business Days of providing an Interconnection System Reliability Impact Study report to Developer, NYISO and Transmission Owner shall meet with Developer to discuss the results of the Interconnection System Reliability Impact Study.

7.6 Re-Study.

If the NYISO determines that re-study of the Interconnection System Reliability Impact Study is required due to a higher queued project dropping out of the queue, a modification of a higher queued project subject to 4.4, or re-designation

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of the Point of Interconnection pursuant to Section 6.1, NYISO shall notify Developer in writing. Such re-study shall take no longer than sixty (60) Calendar Days from the date of notice. Any cost of re-study shall be borne by the Developer being re-studied.

Section 8. Interconnection Facilities Study.

8.1 Interconnection Facilities Study Agreement.

Upon the NYISO Operating Committee approval of the Interconnection System Reliability Impact Study of the Developer, the NYISO shall provide to the Developer and Transmission Owner an Interconnection Facilities Study Agreement in the form of Appendix 4 to these Large Facility Interconnection Procedures. The Interconnection Facilities Study Agreement shall provide that the Developer shall compensate the NYISO and Transmission Owner for the actual cost of the Interconnection Facilities Study. Within three (3) Business Days following the Interconnection System Reliability Impact Study results meeting, the NYISO shall provide to Developer a non-binding good faith estimate of the cost and timeframe for completing the Interconnection Facilities Study. The Developer shall execute the Interconnection Facilities Study Agreement and

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deliver the executed Interconnection Facilities Study Agreement to the NYISO within thirty (30) Calendar Days after its receipt, together with the required technical data and the greater of \$100,000 or Developer's portion of the estimated monthly cost of conducting the Interconnection Facilities Study.

8.1.1 NYISO shall invoice Developer on a monthly basis for the work to be conducted on the Interconnection Facilities Study each month. Developer shall pay invoiced amounts within thirty (30) Calendar Days of receipt of invoice. NYISO shall continue to hold the amounts on deposit until settlement of the final invoice.

8.2 Scope of Interconnection Facilities Study.

The Interconnection Facilities Study for a Class Year of Developers, as that Class Year is determined in accordance with Attachment S of the NYISO OATT, shall be performed concurrently as a combined Interconnection Facilities Study for that Class Year to fulfill the requirements of this Section 8, and the requirements of the Annual Transmission Reliability Assessment called for by Attachment S.

The Interconnection Facilities Study shall specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement

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the conclusions of the Interconnection System Reliability Impact Study in accordance with Good Utility Practice to physically and electrically connect the Large Facility to the Transmission System. The Interconnection Facilities Study shall also identify the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear, meters, and other station equipment; the nature and estimated cost of any Transmission Owners' Attachment Facilities and System Upgrade Facilities necessary to accomplish the interconnection of the Class Year; and an estimate of the time required to complete the construction and installation of such facilities.

8.3 Interconnection Facilities Study Procedures.

The NYISO shall coordinate the Class Year Interconnection Facilities Study with the Transmission Owners and any Affected System pursuant to Section 3.5 above. The NYISO shall utilize existing studies to the extent practicable in performing the Class Year Interconnection Facilities Study. The NYISO shall follow the procedures set forth in Attachment S of the NYISO OATT and shall use Reasonable Efforts to complete the study and issue a Class Year Interconnection Facilities Study report to the Developers within the timeframe called for in Attachment S.

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

Upon request, the NYISO shall provide the Developer supporting documentation, workpapers, and databases or data developed in the preparation of the Class Year Interconnection Facilities Study, subject to confidentiality arrangements consistent with Section 13.1.

8.4 Study Report Meeting.

Within ten (10) Business Days of providing a draft Interconnection Facilities Study report to Class Year Developers, NYISO and Transmission Owners shall meet with Developers to discuss the results of the Class Year Interconnection Facilities Study.

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8.5 Re-Study.

If re-study of the Class Year Interconnection Facilities Study and cost allocation report is required pursuant to Section IV.F.8 and Section IV.F.9 of Attachment S, NYISO shall so notify Developers and conduct such re-study in accordance with the requirements of Attachment S. Any cost of re-study shall be borne by the Developers being re-studied.

Section 9. Engineering & Procurement (“E&P”) Agreement.

Prior to executing a Standard Large Generator Interconnection Agreement, a Developer may, in order to advance the implementation of its interconnection, request and Transmission Owner shall offer the Developer, an E&P Agreement that authorizes the Transmission Owner to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection. However, the Transmission Owner shall not be obligated to offer an E&P Agreement if Developer is in Dispute Resolution as a result of an allegation that Developer has failed to meet any milestones or comply with any prerequisites specified in other parts of these Large Facility Interconnection Procedures. The E&P Agreement is an optional procedure and it will not alter the Developer’s Queue Position or In-Service Date. The E&P Agreement shall provide for the

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Developer to pay the cost of all activities authorized by the Developer and to make advance payments or provide other satisfactory security for such costs.

The Developer shall, in accordance with Attachment S to the NYISO OATT, pay the cost of such authorized activities and any cancellation costs for equipment that is already ordered for its interconnection, which cannot be mitigated as hereafter described, whether or not such items or equipment later become unnecessary. If Developer withdraws its application for interconnection or either party terminates the E&P Agreement, to the extent the equipment ordered can be canceled under reasonable terms, Developer shall be obligated to pay the associated cancellation costs. To the extent that the equipment cannot be reasonably canceled, Transmission Owner may elect: (i) to take title to the equipment, in which event Transmission Owner shall refund Developer any amounts paid by Developer for such equipment and shall pay the cost of delivery of such equipment, or (ii) to transfer title to and deliver such equipment to Developer, in which event Developer shall pay any unpaid balance and cost of delivery of such equipment.

Section 10. Optional Interconnection Study.

10.1 Optional Interconnection Study Agreement.

Upon the initiation of a Developer's Interconnection System Reliability Impact

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Study, the Developer may request, and the NYISO shall perform concurrently with that SRIS a reasonable number of Optional Studies. The request shall describe the assumptions that the Developer wishes the NYISO to study within the scope described in Section 10.2. Within five (5) Business Days after receipt of a request for an Optional Interconnection Study, the NYISO shall provide to the Developer an Optional Interconnection Study Agreement in the form of Appendix 5.

The Optional Interconnection Study Agreement shall: (i) specify the technical data that the Developer must provide for each phase of the Optional Interconnection Study, (ii) specify Developer's assumptions as to which Interconnection Requests with earlier queue priority dates will be excluded from the Optional Interconnection Study case, and (iii) the NYISO's estimate of the cost of the Optional Interconnection Study. To the extent known by the NYISO, such estimate shall include any costs expected to be incurred by any Affected System whose participation is necessary to complete the Optional Interconnection Study. Notwithstanding the above, the NYISO shall not be required as a result of an Optional Interconnection Study request to conduct any additional Interconnection Studies with respect to any other Interconnection Request.

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The Developer shall execute the Optional Interconnection Study Agreement within ten (10) Business Days of receipt and deliver the Optional Interconnection Study Agreement, the technical data and a \$10,000 deposit to the NYISO.

10.2 Scope of Optional Interconnection Study.

The Optional Interconnection Study will consist of a sensitivity analysis based on the assumptions specified by the Developer in the Optional Interconnection Study Agreement. The Optional Interconnection Study will also identify the Transmission Owner's Attachment Facilities and the System Upgrade Facilities, and the estimated cost thereof, that may be required to provide Network Access Interconnection Service based upon the results of the Optional Interconnection Study. The Optional Interconnection Study shall be performed solely for informational purposes. The NYISO shall use Reasonable Efforts to coordinate the study with any Affected Systems that may be affected by the types of options that are being studied. The NYISO shall utilize existing studies to the extent practicable in conducting the Optional Interconnection Study.

10.3 Optional Interconnection Study Procedures.

The executed Optional Interconnection Study Agreement, the prepayment, and technical and other data called for therein must be provided to the NYISO within

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ten (10) Business Days of Developer receipt of the Optional Interconnection Study Agreement. The NYISO shall use Reasonable Efforts to complete the Optional Interconnection Study within a mutually agreed upon time period specified within the Optional Interconnection Study Agreement. If the NYISO is unable to complete the Optional Interconnection Study within such time period, it shall notify the Developer and provide an estimated completion date and an explanation of the reasons why additional time is required. Any difference between the study payment and the actual cost of the study shall be paid to the NYISO or refunded to the Developer, as appropriate. Upon request, the NYISO shall provide the Developer supporting documentation and workpapers and databases or data developed in the preparation of the Optional Interconnection Study, subject to confidentiality arrangements consistent with Section 13.1.

Section 11. Standard Large Generator Interconnection Agreement (LGIA).

11.1 Tender.

Simultaneously with the completion of the Developer decision process described in Section IV.F.10 of OATT Attachment S and acceptance by the Developer of its Attachment S cost allocation, the NYISO and Transmission Owner shall tender to the Generator a draft Standard Large Generator Interconnection Agreement

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together with draft appendices completed to the extent practicable. The draft Standard Large Generator Interconnection Agreement shall be in the form of the NYISO's Commission-approved Standard Large Generator Interconnection Agreement, which is in Appendix 6 to this Attachment X. Within thirty (30) Calendar Days after the tender by the NYISO and Transmission Owner, Developer shall execute and return the completed draft LGIA appendices.

11.2 Negotiation.

Notwithstanding Section 11.1, at the request of the Developer the NYISO and Transmission Owner shall begin negotiations with the Developer concerning the LGIA and its appendices at any time after the Developer executes the Interconnection Facilities Study Agreement. The NYISO, Transmission Owner and the Developer shall negotiate concerning any disputed provisions of the draft LGIA and its appendices for not more than sixty (60) Calendar Days after tender of the final Interconnection Facilities Study Report. If the Developer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the LGIA pursuant to Section 11.1 and request submission of the unexecuted LGIA to FERC or initiate Dispute Resolution procedures pursuant to Section 13.5. If the Developer requests termination of the

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negotiations, but within sixty (60) Calendar Days thereafter fails to request either the filing of the unexecuted LGIA or initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if the Developer has not executed the LGIA, requested filing of an unexecuted LGIA, or initiated Dispute Resolution procedures pursuant to Section 13.5 within sixty days of tender of completed draft of the LGIA appendices, it shall be deemed to have withdrawn its Interconnection Request. The NYISO and Transmission Owner shall provide to the Developer a final LGIA within fifteen (15) Business Days after the completion of the negotiation process.

11.3 Execution and Filing.

Within fifteen (15) Business Days after receipt of the final LGIA, the Developer shall provide the NYISO and Transmission Owner (A) reasonable evidence of continued Site Control or (B) posting of \$250,000, non-refundable additional security with the Transmission Owner, which shall be applied toward future construction costs. At the same time, Developer also shall provide the NYISO and Transmission Owner reasonable evidence that one or more of the following milestones in the development of the Large Generating Facility, at the Developer election, has been achieved: (i) the execution of a contract for the supply or

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

The Developer shall either: (i) execute two originals of the tendered Standard Large Generator Interconnection Agreement and return them to the NYISO and Transmission Owner; or (ii) request in writing that the NYISO and Transmission Owner file with FERC an LGIA in unexecuted form. As soon as practicable, but not later than ten (10) Business Days after receiving either the two executed originals of the tendered LGIA (if it does not conform with a Commission-approved standard form of interconnection agreement) or the request to file an unexecuted LGIA, the NYISO and Transmission Owner shall file the LGIA with FERC. The NYISO will draft the portions of the LGIA and appendices that are in dispute and assume the burden of justifying any departure from the pro forma LGIA and appendices. The NYISO will provide its explanation of any matters as to which the Parties disagree and support for the

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costs that the Transmission Owner proposes to charge to the Developer under the LGIA. An unexecuted LGIA should contain terms and conditions deemed appropriate by the NYISO for the Interconnection Request. The Transmission Owner will provide in the filing any comments it has on the unexecuted agreement, including any alternative positions, it may have with respect to the disputed provisions. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted LGIA, they may proceed pending Commission action.

11.4 Commencement of Interconnection Activities.

If the Developer executes the final Standard Large Generator Interconnection Agreement, the NYISO, Transmission Owner and the Developer shall perform their respective obligations in accordance with the terms of the LGIA, subject to modification by FERC. Upon submission of an unexecuted LGIA in accordance with Section 11.3, the Parties shall promptly comply with the unexecuted LGIA, subject to modification by FERC.

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Section 12. Construction of Transmission Owner's Attachment Facilities and System Facilities.

12.1 Schedule.

The Transmission Owner and the Developer shall negotiate in good faith concerning a schedule for the construction of the Transmission Owner's Attachment Facilities and the System Upgrade Facilities.

12.2 Construction Sequencing.

12.2.1 General

In general, the In-Service Dates of the Developers in each Class Year seeking interconnection to the New York State Transmission System will determine the sequence of construction of System Upgrade Facilities.

12.2.2 Advance Construction of System Upgrade Facilities that are an Obligation of an Entity other than the Developer

A Developer with a Standard Large Generator Interconnection Agreement, in order to maintain its In-Service Date, may request that the Transmission Owner advance to the extent necessary the completion of System Upgrade Facilities that: (i) were assumed in the Interconnection Studies for such Developer, (ii) are necessary to support

such In-Service Date, and (iii) would otherwise not be completed, pursuant to a contractual obligation of an entity other than the Developer that is seeking interconnection to the New York State Transmission System, in time to support such In-Service Date. Upon such request, Transmission Owner will use Reasonable Efforts to advance the construction of such System Upgrade Facilities to accommodate such request; provided that the Developer commits in writing to pay Transmission Owner any associated expediting costs.

12.2.3 Advancing Construction of System Upgrade Facilities that are Part of an Expansion Plan of the NYISO or Transmission Owner

A Developer with an Standard Large Generator Interconnection Agreement, in order to maintain its In-Service Date, may request that the Transmission Owner advance to the extent necessary the completion of System Upgrade Facilities that: (i) are necessary to support such In-Service Date and (ii) would otherwise not be completed, pursuant to an expansion plan of the NYISO or Transmission Owner, in time to support such In-Service Date. Upon such request, Transmission Owner will use Reasonable Efforts to advance the construction of such System Upgrade Facilities to accommodate such request; provided that the

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Developer commits in writing to pay Transmission Owner any associated expediting costs.

12.2.4 Amended Interconnection System Reliability Impact Study

An Interconnection System Reliability Impact Study will be amended to determine the facilities necessary to support the requested In-Service Date. This amended study will include those transmission and Large Generating Facilities that are expected to be in service on or before the requested In-Service Date.

Section 13. Miscellaneous.

13.1 Confidentiality.

Certain information exchanged by the Parties during the administration of these Large Facility Interconnection Procedures shall constitute confidential information (“Confidential Information”) and shall be subject to this Section 13.1.

The following shall constitute Confidential Information: (1) any non-public information that is treated as confidential by the disclosing Party and which the disclosing Party identifies as Confidential Information in writing at the time, or promptly after the time, of disclosure; or (2) information designated as

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Confidential Information by the NYISO Code of Conduct contained in
Attachment F to the NYISO OATT.

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

13.1.1 Scope

Confidential Information shall not include information that the
receiving Party can demonstrate: (1) is generally available to the public
other than as a result of a disclosure by the receiving Party; (2) was in
the lawful possession of the receiving Party on a non-confidential basis
before receiving it from the disclosing Party; (3) was supplied to the
receiving Party without restriction by a third party, who, to the
knowledge of the receiving Party after due inquiry, was under no
obligation to the disclosing Party to keep such information confidential;
(4) was independently developed by the receiving Party without

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reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of the Standard Large Generator Interconnection Agreement; or (6) is required, in accordance with Section 13.1.6, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under the Standard Large Generator Interconnection Agreement. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

13.1.2 Release of Confidential Information

No Party shall release or disclose Confidential Information to any other person, except to its Affiliates (limited by FERC Standards of Conduct requirements), employees, consultants, or to parties who may be or considering providing financing to or equity participation with Developer, or to potential purchasers or assignees of Developer, on a need-to-know basis in connection with these procedures, unless such

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person has first been advised of the confidentiality provisions of this Section 13.1 and has agreed to comply with such provisions.

Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section 13.1.

13.1.3 Rights

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

13.1.4 No Warranties

By providing Confidential Information, no Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to the other Parties nor to enter into any further agreements or proceed with any other relationship or joint venture.

13.1.5 Standard of Care

Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Parties under these procedures or its regulatory requirements, including the NYISO OATT and NYISO Services Tariff. The NYISO shall, in all cases, treat the information it receives in accordance with the requirements of Attachment F to the NYISO OATT.

13.1.6 Order of Disclosure

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

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

13.1.7 Remedies

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

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indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Section 13.1.

13.1.8 Disclosure to FERC, its Staff, or a State

Notwithstanding anything in this Section 13.1 to the contrary, and pursuant to 18 C.F.R. section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to these Large Facility Interconnection Procedures or the NYISO OATT, the Party shall provide the requested information to FERC or its staff, within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Parties are prohibited from notifying the other Parties prior to the release of the Confidential Information to the Commission or its staff. The Party shall notify the other Parties to the LGIA when its is notified by FERC or its staff that a request to release Confidential Information

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has been received by FERC, at which time either of the Parties may respond before such information would be made public, pursuant to 18 C.F.R. section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner consistent with applicable state rules or regulations. A Party shall not be liable for any losses, consequential or otherwise, resulting from that Party divulging Confidential Information pursuant to a FERC or state regulatory body request under this paragraph.

13.1.9 Subject to the exception in Section 13.1.8, no Party shall disclose Confidential Information to any person not employed or retained by the Party possessing the Confidential Information, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the supplying Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under these Large Facility Interconnection Procedures, the NYISO OATT or NYISO Services Tariff. Prior to any disclosures of a Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for

any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Parties in writing and agrees to assert confidentiality and cooperate with the other Parties in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

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

13.1.11 The NYISO and Transmission Owner shall, at Developer's election, destroy, in a confidential manner, or return the Confidential Information provided at the time of Confidential Information is no longer needed.

13.2 Delegation of Responsibility.

The NYISO may use the services of subcontractors as it deems appropriate to perform its obligations under these Large Facility Interconnection Procedures.

The NYISO shall remain primarily liable to the Developer for the performance of such subcontractors and compliance with its obligations under these Large

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Facility Interconnection Procedures. The subcontractor shall keep all information provided confidential and shall use such information solely for the performance of such obligation for which it was provided and no other purpose.

13.3 Obligation for Study Costs.

NYISO shall charge and Developer shall pay the actual costs of the Interconnection Studies incurred by the NYISO and Transmission Owner. If a number of Interconnection Studies are conducted concurrently, as a combined study, each Developer shall pay an equal share of the actual cost of the combined study. Any difference between the study deposit and the actual cost of the applicable Interconnection Study shall be paid by or refunded, except as otherwise provided herein, to Developer or offset against the cost of any future Interconnection Studies associated with the applicable Interconnection Request prior to beginning of any such future Interconnection Studies. Any invoices for Interconnection Studies shall include a detailed and itemized accounting of the cost of each Interconnection Study. Developer shall pay any such undisputed costs within thirty (30) Calendar Days of receipt of an invoice therefor. Neither

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the NYISO nor Transmission Owner shall be obligated to perform or continue to perform any studies unless Developer has paid all undisputed amounts in compliance herewith.

13.4 Third Parties Conducting Studies.

If (i) at the time of the signing of an Interconnection Study Agreement there is disagreement as to the estimated time to complete an Interconnection Study, (ii) the Developer receives notice pursuant to Sections 6.3, 7.4 or 8.3 that the NYISO will not complete an Interconnection Study within the applicable timeframe for such Interconnection Study, or (iii) the Developer receives neither the Interconnection Study nor a notice under Sections 6.3, 7.4 or 8.3 within the applicable timeframe for such Interconnection Study, then the Developer may request the NYISO to utilize a consultant or other third party reasonably acceptable to Developer and NYISO to perform such Interconnection Study under the direction of the NYISO. At other times, the NYISO may also utilize a Transmission Owner or other third party to perform such Interconnection Study, either in response to a general request of the Developer, or on its own volition.

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In all cases, use of a third party shall be in accord with Article 26 of the LGIA (Subcontractors) and limited to situations where the NYISO determines that doing so will help maintain or accelerate the study process for the Developer's pending Interconnection Request and not interfere with the NYISO's progress on Interconnection Studies for other pending Interconnection Requests. In cases where the Developer requests to use a third party to perform such Interconnection Study, Developer, NYISO and Transmission Owner shall negotiate all of the pertinent terms and conditions, including reimbursement arrangements and the estimated study completion date and study review deadline. The NYISO shall convey all workpapers, data bases, study results and all other supporting documentation prepared to date with respect to the Interconnection Request as soon as practicable upon Developer's request subject to the confidentiality provision in Section 13.1. In any case, such third party contract may be entered into with either the Developer or the NYISO at the NYISO's discretion. If a Developer enters into a third party study contract, Developer shall provide the study to NYISO and the Transmission Owner for review, and such third party study contract shall provide for reimbursement by Developer of NYISO's and Transmission Owner's actual cost of participating in and reviewing the study. In

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the case of (iii) above in this Section 13.4, the Developer maintains its right to submit a claim to Dispute Resolution to recover the costs of such third party study. Such third party shall be required to comply with these Large Facility Interconnection Procedures, Article 26 of the LGIA (Subcontractors), and the relevant NYISO OATT procedures and protocols as would apply if the NYISO were to conduct the Interconnection Study and shall use the information provided to it solely for purposes of performing such services and for no other purposes. The NYISO and Transmission Owner shall cooperate with such third party and Developer to complete and issue the Interconnection Study in the shortest reasonable time.

13.5 Disputes.

13.5.1 Submission.

In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with the LGIA, these Standard Large Facility Interconnection Procedures, or their performance (a “Dispute”), such Party shall provide the other Parties with written notice of the Dispute (“Notice of Dispute”). Such Dispute shall be referred to a designated senior representative of each Party for resolution on an informal basis as

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promptly as practicable after receipt of the Notice of Dispute by the other Parties. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Parties' receipt of the Notice of Dispute, such Dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. In the event the Parties do not agree to submit such Dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of the Standard Large Generator Interconnection Agreement.

13.5.2 External Arbitration Procedures.

Any arbitration initiated under these procedures shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the Dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The arbitrators so chosen shall within twenty (20) Calendar Days select one

of them to chair the arbitration panel. In each case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (“Arbitration Rules”) and any applicable FERC regulations or RTO rules; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Section 13, the terms of this Section 13 shall prevail.

13.5.3 Arbitration Decisions.

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

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

13.5.4 Costs.

Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable: (1) the cost of the arbitrator chosen by the Party to sit on the three member panel; or (2) one-third the cost of the single arbitrator jointly chosen by the Parties.

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13.6 Local Furnishing Bonds and Other Tax-Exempt Financing.

13.6.1 Transmission Owners That Own Facilities Financed by Local Furnishing Bonds or Other Tax-Exempt Bonds.

This provision is applicable only to a Transmission Owner that has financed facilities with tax-exempt bonds including, but not limited to, Local Furnishing Bonds (“Tax-Exempt Bonds”). Notwithstanding any other provision of this LGIA and LFIP, neither NYISO nor Transmission Owner shall be required to provide interconnection service to Developer pursuant to this LGIA and LFIP if the provision of such interconnection service would jeopardize the tax-exempt status of any Tax-Exempt Bonds or impair the ability of Transmission Owner to issue future tax-exempt obligations. For purposes of this provision, Tax-Exempt Bonds shall include the obligations of the Long Island Power Authority, NYPA and Consolidated Edison Company of New York, Inc., the interest on which is not included in gross income under the Internal Revenue Code.

13.6.2 Alternate Procedures for Requesting Interconnection Service.

If Transmission Owner determines that the provision of interconnection service requested by Developer would jeopardize the tax-exempt status

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of any Tax-Exempt Bond(s) used to finance its facilities that would be used in providing such interconnection service, or impair its ability to issue future tax-exempt obligations, Transmission Owner shall advise Developer and NYISO within thirty (30) days of receipt of the Interconnection Request.

Developer thereafter may renew its request for interconnection using the process specified in Article 5.2(ii) of the NYISO OATT.

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APPENDICES TO LFIP

- APPENDIX 1 INTERCONNECTION REQUEST
- APPENDIX 2 INTERCONNECTION FEASIBILITY STUDY AGREEMENT
- APPENDIX 3 INTERCONNECTION SYSTEM RELIABILITY IMPACT STUDY AGREEMENT
- APPENDIX 4 INTERCONNECTION FACILITIES STUDY AGREEMENT
- APPENDIX 5 OPTIONAL INTERCONNECTION STUDY AGREEMENT
- APPENDIX 6 STANDARD LARGE GENERATOR INTERCONNECTION AGREEMENT

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APPENDIX 1 to LFIP
INTERCONNECTION REQUEST

1. The undersigned Developer submits this request to interconnect its Large Generating Facility or Merchant Transmission Facility with the New York State Transmission System pursuant to the Large Facility Interconnection Procedures in the NYISO OATT.
2. This Interconnection Request is for (check one):

 A proposed new Large Generating Facility, named _____.
 A proposed new Merchant Transmission Facility, named _____.
 An increase in the capacity of an existing Large Generating Facility or existing Merchant Transmission Facility.
3. The type of interconnection service provided:

 Network Access Interconnection Service
4. The Developer provides the following information:
 - a. Address or location of the proposed new Large Facility site (to the extent known) or, in the case of an existing Generating Facility or Merchant Transmission Facility, the name and specific location of that existing facility;
 - b. Maximum summer at _____ degrees C and winter at _____ degrees C megawatt electrical output of the proposed new Large Facility or the amount of megawatt increase in the capacity of an existing facility;
 - c. General description of the equipment configuration;
 - d. In-Service Date, and Commercial Operation Date (Day, Month, and Year);
 - e. Name, title, company address, telephone number, FAX number and e-mail address of the Developer's contact person;

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- f. Approximate location of the proposed Point of Interconnection (optional); and
 - g. Interconnection Customer Data (set forth in Attachment A).
5. Applicable deposit amount as specified in the LFIP.
6. Evidence of Site Control as specified in the LFIP (check one)

___ Is attached to this Interconnection Request

___ Will be provided at a later date in accordance with the Large Facility Interconnection Procedures

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

[To be completed by the NYISO]

8. Representative of the Developer to contact:

[To be completed by Developer]

9. This Interconnection Request is submitted by:

Name of Developer:

By (signature): _____

Name (type or print): _____

Title: _____

Date: _____

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**Attachment A To Appendix 1
Interconnection Request**

LARGE GENERATING FACILITY DATA

UNIT RATINGS

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

COMBINED TURBINE-GENERATOR-EXCITER INERTIA DATA

Inertia Constant, H = _____ kW sec/kVA
Moment-of-Inertia, WR² = _____ lb. ft.²

REACTANCE DATA (PER UNIT-RATED KVA)

	DIRECT AXIS	QUADRATURE AXIS
Synchronous - saturated	X _{dv} _____	X _{qv} _____
Synchronous - unsaturated	X _{di} _____	X _{qi} _____
Transient - saturated	X' _{dv} _____	X' _{qv} _____
Transient - unsaturated	X' _{di} _____	X' _{qi} _____
Subtransient - saturated	X'' _{dv} _____	X'' _{qv} _____
Subtransient - unsaturated	X'' _{di} _____	X'' _{qi} _____

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Negative Sequence - saturated X2v _____
Negative Sequence - unsaturated X2i _____
Zero Sequence - saturated X0v _____
Zero Sequence - unsaturated X0i _____
Leakage Reactance Xlm _____

FIELD TIME CONSTANT DATA (SEC)

Open Circuit T'do _____ T'qo _____
Three-Phase Short Circuit Transient T'd3 _____ T'q _____
Line to Line Short Circuit Transient T'd2 _____
Line to Neutral Short Circuit Transient T'd1 _____
Short Circuit Subtransient T''d _____ T''q _____
Open Circuit Subtransient T''do _____ T''qo _____

ARMATURE TIME CONSTANT DATA (SEC)

Three Phase Short Circuit Ta3 _____
Line to Line Short Circuit Ta2 _____
Line to Neutral Short Circuit Ta1 _____

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

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

ARMATURE WINDING RESISTANCE DATA (PER UNIT)

Positive R1 _____
Negative R2 _____
Zero R0 _____

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

CURVES

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

GENERATOR STEP-UP TRANSFORMER DATA

RATINGS

Capacity Self-cooled/Maximum Nameplate
_____/_____kVA

Voltage Ratio (Generator Side/System Side/Tertiary)
_____/_____/_____kV

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

Fixed Taps Available _____

Present Tap Setting _____

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IMPEDANCE

Positive Z1 (on self-cooled kVA rating) _____ % _____ X/R

Zero Z0 (on self-cooled kVA rating) _____ % _____ X/R

EXCITATION SYSTEM DATA

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

GOVERNOR SYSTEM DATA

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

WIND GENERATORS

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

Elevation: _____ _____ Single Phase _____ Three Phase

Inverter manufacturer, model name, number, and version:

List of adjustable setpoints for the protective equipment or software:

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

INDUCTION GENERATORS:

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

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

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MERCHANT TRANSMISSION FACILITIES:

Note: Please consult with the NYISO prior to submitting the Interconnection Request for guidance on the information required for Merchant Transmission Facilities.

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APPENDIX 2 TO LFIP

INTERCONNECTION FEASIBILITY STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 20__ by and among _____, a _____ organized and existing under the laws of the State of _____, (“Developer,”), the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York (“NYISO”), and _____ a _____ organized and existing under the laws of the State of New York, (“Transmission Owner“). Developer, NYISO and Transmission Owner each may be referred to as a “Party,” or collectively as the “Parties.”

RECITALS

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

WHEREAS, Developer desires to interconnect the Large Facility with the New York State Transmission System; and

WHEREAS, Developer has requested the NYISO to perform an Interconnection Feasibility Study with the input and assistance of Transmission Owner to assess the feasibility of interconnecting the proposed Large Facility to the New York State Transmission System;

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

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the NYISO’s Commission-approved Standard Large Facility Interconnection Procedures.
- 2.0 Developer elects and NYISO shall cause to be performed an Interconnection Feasibility Study consistent with Section 6.0 of the Standard Large Facility Interconnection Procedures in accordance with the NYISO OATT. The terms of Sections 6, 13.1 and 13.3 of the LFIP, as applicable, are hereby incorporated by reference herein.

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- 3.0 The scope of the Interconnection Feasibility Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Interconnection Feasibility Study shall be based on the technical information provided by Developer in the Interconnection Request, as may be modified as the result of the Scoping Meeting. NYISO reserves the right to request additional information from Developer and Transmission Owner as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Feasibility Study and as designated in accordance with Section 3.3.4 of the LFIP and such additional information shall be provided in a prompt manner. If, after the designation of the Point of Interconnection pursuant to Section 3.3.4 of the LFIP, Developer modifies its Interconnection Request pursuant to Section 4.4, the time to complete the Interconnection Feasibility Study may be extended.
- 5.0 The Interconnection Feasibility Study report shall provide the following information:
- preliminary identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - preliminary identification of any thermal overload or voltage limit violations resulting from the interconnection; and
 - preliminary description and non-binding estimated cost of facilities required to interconnect the Large Facility to the New York State Transmission System and to address the identified short circuit and power flow issues.
- 6.0 The Developer shall provide a deposit of \$10,000 for the performance of the Interconnection Feasibility Study.

Upon receipt of the Interconnection Feasibility Study the NYISO shall charge and Developer shall pay to NYISO the actual costs of the Interconnection Feasibility Study incurred by the NYISO and Transmission Owner as computed on a time and materials basis in accordance with the rates attached hereto.

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

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7.0 Miscellaneous.

- 7.1 Accuracy of Information. Except as Developer or Transmission Owner may otherwise specify in writing when they provide information to the NYISO under this Agreement, Developer and Transmission Owner each represent and warrant that the information it provides to NYISO shall be accurate and complete as of the date the information is provided. Developer and Transmission Owner shall each promptly provide NYISO with any additional information needed to update information previously provided.
- 7.2 Disclaimer of Warranty. In preparing the Interconnection Feasibility Study, the Party preparing such study and any subcontractor consultants employed by it shall have to rely on information provided by the other Parties, and possibly by third parties, and may not have control over the accuracy of such information. Accordingly, neither the Party preparing the Interconnection Feasibility Study nor any subcontractor consultant employed by that Party makes any warranties, express or implied, whether arising by operation of law, course of performance or dealing, custom, usage in the trade or profession, or otherwise, including without limitation implied warranties of merchantability and fitness for a particular purpose, with regard to the accuracy, content, or conclusions of the Interconnection Feasibility Study. Developer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.
- 7.3 Limitation of Liability. In no event shall any Party or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the Interconnection Feasibility Study or any reliance on the Interconnection Feasibility Study by any Party or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any Party or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under this Agreement.

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- 7.4 Third-Party Beneficiaries. Without limitation of Sections 7.2 and 7.3 of this Agreement, Developer and Transmission Owner further agree that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, an Interconnection Feasibility Study shall be deemed third party beneficiaries of these Sections 7.2 and 7.3.
- 7.5 Term and Termination. This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 7.5, shall continue in effect for a term of one year or until the Interconnection Feasibility Study for Developer's Large Facility is completed, whichever event occurs first. Developer or NYISO may terminate this Agreement upon the withdrawal of Developer's Interconnection Request under Section 3.6 of the LFIP.
- 7.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to any choice of laws provisions.
- 7.7 Severability. In the event that any part of this Agreement is deemed as a matter of law to be unenforceable or null and void, such unenforceable or void part shall be deemed severable from this Agreement and the Agreement shall continue in full force and effect as if each part was not contained herein.
- 7.8 Counterparts. This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as the original instrument.
- 7.9 Amendment. No amendment, modification or waiver of any term hereof shall be effective unless set forth in writing signed by the Parties hereto.
- 7.10 Survival. All warranties, limitations of liability and confidentiality provisions provided herein shall survive the expiration or termination hereof.
- 7.11 Independent Contractor. NYISO shall at all times be deemed to be an independent contractor and none of its employees or the employees of its subcontractors shall be considered to be employees of Developer or Transmission Owner as a result of this Agreement.

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

7.13 Successors and Assigns. This Agreement, and each and every term and condition hereof, shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

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

NYISO

[Insert name of Transmission Owner]

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

[Insert name of Developer]

By: _____

Title: _____

Date: _____

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**Attachment A to Appendix 2
Interconnection Feasibility
Study Agreement**

**ASSUMPTIONS USED IN CONDUCTING THE
INTERCONNECTION FEASIBILITY STUDY**

The Interconnection Feasibility Study will be based upon the information set forth in the Interconnection Request and agreed upon in the Scoping Meeting held on

_____:

Designation of Point of Interconnection and configuration to be studied.

Designation of alternative Point(s) of Interconnection and configuration.

[Above assumptions to be completed by Developer and other assumptions to be provided by Developer, NYISO, and Transmission Owner]

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APPENDIX 3 TO LFIP

INTERCONNECTION SYSTEM RELIABILITY IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 20__ by and among _____, a _____ organized and existing under the laws of the State of _____, (“Developer,”), the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York (“NYISO”), and _____ a _____ organized and existing under the laws of the State of New York, (“Transmission Owner”). Developer, NYISO and Transmission Owner each may be referred to as a “Party,” or collectively as the “Parties.”

RECITALS

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

WHEREAS, Developer desires to interconnect the Large Facility with the New York State Transmission System;

WHEREAS, the NYISO has completed an Interconnection Feasibility Study (the “Feasibility Study”) and provided the results of said study to the Developer (this recital to be omitted if neither the NYISO nor the Transmission Owner require the Feasibility Study); and

WHEREAS, Developer has requested the NYISO to perform an Interconnection System Reliability Impact Study to assess the impact of interconnecting the Large Facility to the New York State Transmission System;

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

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the NYISO’s Commission-approved Standard Large Facility Interconnection Procedures.

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- 2.0 Developer elects and NYISO shall cause to be performed an Interconnection System Reliability Impact Study consistent with Section 7.0 of the Standard Large Facility Interconnection Procedures in accordance with the NYISO OATT. The terms of Sections 7, 13.1 and 13.3 of the LFIP, as applicable, are hereby incorporated by reference herein.
- 3.0 The scope of the Interconnection System Reliability Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Interconnection System Reliability Impact Study will be based upon the results of the Interconnection Feasibility Study, if conducted, and the technical information provided by Developer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the LFIP. NYISO reserves the right to request additional information from Developer and Transmission Owner as may reasonably become necessary consistent with Good Utility Practice during the course of the SRIS and such additional information shall be provided in a prompt manner. If Developer modifies its designated Point of Interconnection, or the technical information provided in the Interconnection Request is modified, the time to complete the Interconnection System Reliability Impact Study may be extended.
- 5.0 The Interconnection System Reliability Impact Study report shall provide the following information:
 - identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - identification of any thermal overload or voltage limit violations resulting from the interconnection;
 - identification of any instability or inadequately damped response to system disturbances resulting from the interconnection and
 - description and non-binding, good faith estimated cost of facilities required to interconnect the Large Facility to the New York State Transmission System and to address the identified short circuit, instability, and power flow issues.

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- 6.0 The Developer shall provide a deposit of \$50,000 for the performance of the Interconnection System Reliability Impact Study. The NYISO's good faith estimate for the time of completion of the Interconnection System Reliability Impact Study is [insert date].

Upon receipt of the Interconnection System Reliability Impact Study, NYISO shall charge and Developer shall pay to NYISO the actual costs of the Interconnection System Reliability Impact Study incurred by the NYISO and Transmission Owner, as computed on a time and materials basis in accordance with the rates attached hereto.

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

- 7.0 Miscellaneous.

7.1 Accuracy of Information. Except as Developer or Transmission Owner may otherwise specify in writing when they provide information to the NYISO under this Agreement, Developer and Transmission Owner each represent and warrant that the information it provides to NYISO shall be accurate and complete as of the date the information is provided. Developer and Transmission Owner shall each promptly provide NYISO with any additional information needed to update information previously provided.

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

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- 7.3 **Limitation of Liability.** In no event shall any Party or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the Interconnection System Reliability Study or any reliance on the Interconnection System Reliability Study by any Party or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any Party or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under this Agreement.
- 7.4 **Third-Party Beneficiaries.** Without limitation of Sections 7.2 and 7.3 of this Agreement, Developer and Transmission Owner further agree that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, an Interconnection System Reliability Study shall be deemed third party beneficiaries of these Sections 7.2 and 7.3.
- 7.5 **Term and Termination.** This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 7.5, shall continue in effect for a term of one year or until the Interconnection System Reliability Study for Developer's Large Facility is completed [approved by the NYISO Operating Committee], whichever event occurs first. Developer or NYISO may terminate this Agreement upon the withdrawal of Developer's Interconnection Request under Section 3.6 of the LFIP.
- 7.6 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to any choice of laws provisions.
- 7.7 **Severability.** In the event that any part of this Agreement is deemed a matter of law to be unenforceable or null and void, such unenforceable or void part shall be deemed severable from this Agreement and the Agreement shall continue in full force and effect as if each part was not contained herein.
- 7.8 **Counterparts.** This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as the original instrument.

Issued by: William J. Museler, President
Issued on: October 5, 2004

Effective: August 6, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, -001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).

- 7.9 Amendment. No amendment, modification or waiver of any term hereof shall be effective unless set forth in writing signed by the Parties hereto.
- 7.10 Survival. All warranties, limitations of liability and confidentiality provisions provided herein shall survive the expiration or termination hereof.
- 7.11 Independent Contractor. NYISO shall at all times be deemed to be an independent contractor and none of its employees or the employees of its subcontractors shall be considered to be employees of Developer or Transmission Owner as a result of this Agreement.
- 7.12 No Implied Waivers. The failure of a Party to insist upon or enforce strict performance of any of the provisions of this Agreement shall not be construed as a waiver or relinquishment to any extent of such party's right to insist or rely on any such provision, rights and remedies in that or any other instances; rather, the same shall be and remain in full force and effect.
- 7.13 Successors and Assigns. This Agreement, and each and every term and condition hereof, shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

IN WITNESS 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.

NYISO

[Insert name of Transmission Owner]

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

[Insert name of Developer]

By: _____

Title: _____

Date: _____

Issued by: William J. Museler, President
Issued on: October 5, 2004

Effective: August 6, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, -001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).

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

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

The Interconnection System Reliability Impact Study will be based upon the results of the Interconnection Feasibility Study, subject to any modifications in accordance with Section 4.4 of the LFIP, and the following assumptions:

Designation of Point of Interconnection and configuration to be studied.

Designation of alternative Point(s) of Interconnection and configuration.

[Above assumptions to be completed by Developer and other assumptions to be provided by Developer, NYISO and Transmission Owner]

Issued by: William J. Museler, President
Issued on: October 5, 2004

Effective: August 6, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, -001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).

APPENDIX 4 TO LFIP

INTERCONNECTION FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 20__ by and among _____, a _____ organized and existing under the laws of the State of _____, (“Developer,”), the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York (“NYISO”), and _____ a _____ organized and existing under the laws of the State of New York (“Transmission Owner”). Developer, NYISO and Transmission Owner each may be referred to as a “Party,” or collectively as the “Parties.”

RECITALS

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

WHEREAS, Developer desires to interconnect the Large Facility with the New York State Transmission System;

WHEREAS, the NYISO has completed an Interconnection System Reliability Impact Study and provided the results of said study to the Developer; and

WHEREAS, Developer has requested the NYISO and Transmission Owner to perform an Interconnection Facilities Study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Interconnection System Reliability Impact Study in accordance with Good Utility Practice to physically and electrically connect the Large Facility to the New York Transmission System.

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

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the NYISO’s Commission-approved Standard Large Facility Interconnection Procedures.

Issued by: William J. Museler, President
Issued on: October 5, 2004

Effective: August 6, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, -001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).

- 2.0 Developer elects and NYISO shall cause to be performed an Interconnection Facilities Study consistent with Section 8.0 of the Standard Large Facility Interconnection Procedures to be performed in accordance with the NYISO OATT. The terms of Sections 8, 13.1 and 13.3 of the LFIP, as applicable, are hereby incorporated by reference herein.
- 3.0 The scope of the Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A and the data provided in Attachment B to this Agreement.
- 4.0 The Interconnection Facilities Study report (i) shall provide a description, estimated cost of (consistent with Attachment A), schedule for required facilities to interconnect the Large Facility to the New York State Transmission System and (ii) shall address the short circuit, instability, and power flow issues identified in the Interconnection System Reliability Impact Study.
- 5.0 The Developer shall provide a deposit of \$100,000 for the performance of the Interconnection Facilities Study. The time for completion of the Interconnection Facilities Study is specified in Attachment A.

NYISO shall invoice Developer on a monthly basis for the expenses incurred by NYISO and the Transmission Owner on the Interconnection Facilities Study each month as computed on a time and materials basis in accordance with the rates attached hereto. Developer shall pay invoiced amounts to NYISO within thirty (30) Calendar Days of receipt of invoice. NYISO shall continue to hold the amounts on deposit until settlement of the final invoice.

- 6.0 Miscellaneous.
 - 6.1 Accuracy of Information. Except as Developer or Transmission Owner may otherwise specify in writing when they provide information to the NYISO under this Agreement, Developer and Transmission Owner each represent and warrant that the information it provides to NYISO shall be accurate and complete as of the date the information is provided. Developer and Transmission Owner shall each promptly provide NYISO with any additional information needed to update information previously provided.

Issued by: William J. Museler, President
Issued on: October 5, 2004

Effective: August 6, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, -001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).

- 6.2 **Disclaimer of Warranty.** In preparing the Interconnection Facilities Study, the Party preparing such study and any subcontractor consultants employed by it shall have to rely on information provided by the other Parties, and possibly by third parties, and may not have control over the accuracy of such information. Accordingly, neither the Party preparing the Interconnection Facilities Study nor any subcontractor consultant employed by that Party makes any warranties, express or implied, whether arising by operation of law, course of performance or dealing, custom, usage in the trade or profession, or otherwise, including without limitation implied warranties of merchantability and fitness for a particular purpose, with regard to the accuracy, content, or conclusions of the Interconnection Facilities Study. Developer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.
- 6.3 **Limitation of Liability.** In no event shall any Party or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the Interconnection Facilities Study or any reliance on the Interconnection Facilities Study by any Party or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any Party or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under this Agreement.
- 6.4 **Third-Party Beneficiaries.** Without limitation of Sections 7.2 and 7.3 of this Agreement, Developer and Transmission Owner further agree that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, an Interconnection Facilities Study shall be deemed third party beneficiaries of these Sections 7.2 and 7.3.
- 6.5 **Term and Termination.** This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 6.5, shall continue in effect for a term of one year or until the Interconnection Facilities Study for Developer's Large Facility is completed [approved by the NYISO Operating Committee], whichever event occurs first. Developer or NYISO may terminate this Agreement upon the withdrawal of Developer's Interconnection Request under Section 3.6 of the LFIP.

Issued by: William J. Museler, President
Issued on: October 5, 2004

Effective: August 6, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, -001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).

- 6.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to any choice of laws provisions.
- 6.7 Severability. In the event that any part of this Agreement is deemed as a matter of law to be unenforceable or null and void, such unenforceable or void part shall be deemed severable from this Agreement and the Agreement shall continue in full force and effect as if each part was not contained herein.
- 6.8 Counterparts. This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as the original instrument.
- 6.9 Amendment. No amendment, modification or waiver of any term hereof shall be effective unless set forth in writing signed by the Parties hereto.
- 6.10 Survival. All warranties, limitations of liability and confidentiality provisions provided herein shall survive the expiration or termination hereof.
- 6.11 Independent Contractor. NYISO shall at all times be deemed to be an independent contractor and none of its employees or the employees of its subcontractors shall be considered to be employees of Developer or Transmission Owner as a result of this Agreement.
- 6.12 No Implied Waivers. The failure of a Party to insist upon or enforce strict performance of any of the provisions of this Agreement shall not be construed as a waiver or relinquishment to any extent of such party's right to insist or rely on any such provision, rights and remedies in that or any other instances; rather, the same shall be and remain in full force and effect.
- 6.13 Successors and Assigns. This Agreement, and each and every term and condition hereof, shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

Issued by: William J. Museler, President
Issued on: October 5, 2004

Effective: August 6, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, -001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).

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.

NYISO

[Insert name of Transmission Owner]

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

[Insert name of Developer]

By: _____

Title: _____

Date: _____

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

**SCHEDULE FOR CONDUCTING THE
INTERCONNECTION FACILITIES STUDY**

The NYISO and Transmission Owner shall use Reasonable Efforts to complete the study and issue an Interconnection Facilities Study report to the Developer within the following number of days after of receipt of an executed copy of this Interconnection Facilities Study Agreement:

- scheduled completion date for Class Year 20__ Interconnection Facility Study for the Annual Transmission Reliability Assessment required by Attachment S to the NYISO OATT: ____/____/_____.

Issued by: William J. Museler, President
Issued on: October 5, 2004

Effective: August 6, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, -001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).

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

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

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

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

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

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

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

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

What type of control system or PLC will be located at the Developer's Large Facility?

What protocol does the control system or PLC use?

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

Issued by: William J. Museler, President
Issued on: October 5, 2004

Effective: August 6, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, -001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).

Physical dimensions of the proposed interconnection station:

Bus length from generation to interconnection station:

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

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

Number of third party easements required for transmission lines*:

* To be completed in coordination with Transmission Owner.

Is the Large Facility in the Transmission Owner's service area?

_____ Yes _____ No Local provider: _____

Please provide proposed schedule dates:

Begin Construction Date: _____

Generator step-up transformer
receives back feed power Date: _____

Generation Testing Date: _____

Commercial Operation Date: _____

Issued by: William J. Museler, President
Issued on: October 5, 2004

Effective: August 6, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, -001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).

APPENDIX 5 TO LFIP

OPTIONAL INTERCONNECTION STUDY AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 20__ by and among _____, a _____ organized and existing under the laws of the State of _____, (“Developer,”), the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York (“NYISO”) and _____ a _____ organized and existing under the laws of the State of New York, (“Transmission Owner“). Developer, NYISO and Transmission Owner each may be referred to as a “Party,” or collectively as the “Parties.”

RECITALS

WHEREAS, Developer is proposing to develop a Large Generating Facility or Merchant Transmission Facility, or capacity addition to an existing Generating Facility or Merchant Transmission Facility consistent with the Interconnection Request submitted by the Developer dated _____;

WHEREAS, Developer is proposing to establish an interconnection with the New York State Transmission System; and

WHEREAS, Developer has submitted to NYISO an Interconnection Request; and

WHEREAS, Developer has further requested that the NYISO prepare an Optional Interconnection Study concurrently with the Interconnection System Reliability Impact Study;

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

- 1.0 When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in the NYISO’s Commission-approved Standard Large Facility Interconnection Procedures.
- 2.0 Developer elects and NYISO shall cause to be performed an Optional Interconnection Study consistent with Section 10.0 of the Standard Large Facility Interconnection Procedures to be performed in accordance with the NYISO OATT. The terms of Sections 10, 13.1 and 13.3 of the CFIP, as applicable, are hereby incorporated by reference herein.

Issued by: William J. Museler, President
Issued on: October 5, 2004

Effective: August 6, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, -001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).

- 3.0 The scope of the Optional Interconnection Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0 The Optional Interconnection Study shall be performed solely for informational purposes.
- 5.0 The Optional Interconnection Study report shall provide a sensitivity analysis based on the assumptions specified by the Developer in Attachment A to this Agreement. The Optional Interconnection Study will identify the Transmission Owner's Attachment Facilities and System Upgrade Facilities, and the estimated cost thereof, that may be required to provide Network Access Interconnection Service based upon the assumptions specified by the Developer in Attachment A.
- 6.0 The Developer shall provide a deposit of \$10,000 for the performance of the Optional Interconnection Study. The NYISO's good faith estimate for the time of completion of the Optional Interconnection Study is [insert date].

Upon receipt of the Optional Interconnection Study, the NYISO shall charge and Developer shall pay to NYISO the actual costs of the Optional Study incurred by the NYISO and Transmission Owner, as computed on a time and material basis in accordance with the rates attached hereto.

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

- 7.0 Miscellaneous.
 - 7.1 Accuracy of Information. Except as Developer or Transmission Owner may otherwise specify in writing when they provide information to the NYISO under this Agreement, Developer and Transmission Owner each represent and warrant that the information it provides to NYISO shall be accurate and complete as of the date the information is provided. Developer and Transmission Owner shall each promptly provide NYISO with any additional information needed to update information previously provided.

Issued by: William J. Museler, President
Issued on: October 5, 2004

Effective: August 6, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, -001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).

- 7.2 Disclaimer of Warranty. In preparing the Optional Interconnection Study, the Party preparing such study and any subcontractor consultants employed by it shall have to rely on information provided by the other Parties, and possibly by third parties, and may not have control over the accuracy of such information. Accordingly, neither the Party preparing the Optional Interconnection Study nor any subcontractor consultant employed by that Party makes any warranties, express or implied, whether arising by operation of law, course of performance or dealing, custom, usage in the trade or profession, or otherwise, including without limitation implied warranties of merchantability and fitness for a particular purpose, with regard to the accuracy, content, or conclusions of the Optional Interconnection Study. Developer acknowledges that it has not relied on any representations or warranties not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.
- 7.3 Limitation of Liability. In no event shall any Party or its subcontractor consultants be liable for indirect, special, incidental, punitive, or consequential damages of any kind including loss of profits, arising under or in connection with this Agreement or the Optional Interconnection Study or any reliance on the Optional Interconnection System Study by any Party or third parties, even if one or more of the Parties or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any Party or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under this Agreement.
- 7.4 Third-Party Beneficiaries. Without limitation of Sections 7.2 and 7.3 of this Agreement, Developer and Transmission Owner further agree that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, an Optional Interconnection Study shall be deemed third party beneficiaries of these Sections 7.2 and 7.3.
- 7.5 Term and Termination. This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 7.5, shall continue in effect for a term of one year or until the Optional Interconnection Study for Developer's Large Facility is completed, whichever event occurs first. Developer or NYISO may terminate this Agreement upon the withdrawal of Developer's Interconnection Request under Section 3.6 of the LFIP.

Issued by: William J. Museler, President
Issued on: October 5, 2004

Effective: August 6, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, -001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).

- 7.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to any choice of laws provisions.
- 7.7 Severability. In the event that any part of this Agreement is deemed as a matter of law to be unenforceable or null and void, such unenforceable or void part shall be deemed severable from this Agreement and the Agreement shall continue in full force and effect as if each part was not contained herein.
- 7.8 Counterparts. This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as the original instrument.
- 7.9 Amendment. No amendment, modification or waiver of any term hereof shall be effective unless set forth in writing signed by the Parties hereto.
- 7.10 Survival. All warranties, limitations of liability and confidentiality provisions provided herein shall survive the expiration or termination hereof.
- 7.11 Independent Contractor. NYISO shall at all times be deemed to be an independent contractor and none of its employees or the employees of its subcontractors shall be considered to be employees of Developer or Transmission Owner as a result of this Agreement.
- 7.12 No Implied Waivers. The failure of a Party to insist upon or enforce strict performance of any of the provisions of this Agreement shall not be construed as a waiver or relinquishment to any extent of such party's right to insist or rely on any such provision, rights and remedies in that or any other instances; rather, the same shall be and remain in full force and effect.
- 7.13 Successors and Assigns. This Agreement, and each and every term and condition hereof, shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

Issued by: William J. Museler, President
Issued on: October 5, 2004

Effective: August 6, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, -001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).

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.

NYISO

[Insert name of Transmission Owner]

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

[Insert name of Developer]

By: _____

Title: _____

Date: _____

**Attachment A
Appendix 5
Optional Interconnection
Study Agreement**

**ASSUMPTIONS USED IN CONDUCTING
THE OPTIONAL INTERCONNECTION STUDY**

[To be completed by Developer consistent with Section 10 of the LFIP.]

Issued by: William J. Museler, President

Effective: August 6, 2004

Issued on: October 5, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, -001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).

New York Independent System Operator, Inc.
FERC Electric Tariff
Original Volume No. 1
Attachment X

First Revised Sheet No. 844
Superseding Substitute Original Sheet No. 844

Reserved for future use.

Issued by: William J. Museler, President
Issued on: October 5, 2004

Effective: August 6, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. ER04-449-000, -001 and -002, issued August 6, 2004, 108 FERC ¶ 61,159 (2004).