

APPENDIX [*] to ATTACHMENT HH - CLUSTER 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 _____ (“Interconnection Customer”), the New York Independent System Operator, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York (“NYISO”), _____ a _____ organized and existing under the laws of the State of New York (“Connecting Transmission Owner”), and, if applicable, _____ a _____ organized and existing under the laws of the State of New York (“Affected Transmission Owner/Affected System Operator”). Each individual Interconnection Customer, NYISO, Connecting Transmission Owner, and Affected Transmission Owner/Affected System Operator may be referred to as a “Party,” or collectively as the “Parties.” *[If more than one Connecting Transmission Owner, Affected Transmission Owner, or Affected System Operator, to insert additional entity placeholder in preamble.]*

RECITALS

WHEREAS, Interconnection Customer has submitted [an Interconnection Request/a CRIS-Only Request] proposing to [interconnect a new Generating Facility or Cluster Study Transmission Project/materially increase the capacity of, or make a material modification to the operating characteristics of, an existing Generating Facility, Cluster Study Transmission Project, or Class Year Transmission Project//solely obtain Capacity Resource Interconnection Service (“CRIS”) or External CRIS /an increase in Capacity Resource Interconnection Service (“CRIS”)]; and

WHEREAS, Interconnection Customer is requesting through its [Interconnection Request/ CRIS-Only Request] for its Cluster Study Project to obtain [Energy Resource Interconnection Service (“ERIS”)/ERIS and Capacity Resource Interconnection Service (“CRIS”)/only Capacity Resource Interconnection Service (“CRIS”)/ only External Capacity Resource Interconnection Service (“CRIS”)/ an increase in Capacity Resource Interconnection Service (“CRIS”)] pursuant to Attachment HH to the NYISO’s Open Access Transmission Tariff (“OATT”).

WHEREAS, Interconnection Customer has submitted all of the items required for a complete [Interconnection Request/ CRIS-Only Request] for its Cluster Study Project, including all fees and deposits, as set forth in Section [40.5] to Attachment HH to the ISO OATT; and

WHEREAS, the NYISO has validated the Interconnection Customer’s [Interconnection Request/ CRIS-Only Request] for its Cluster Study Project submitted during the Application Window for the Cluster Study and identified the applicable Connecting Transmission Owner; and

WHEREAS, the NYISO may subsequently identify any Affected Transmission Owner(s)/Affected System Operator(s) which Affected System is impacted by the proposed interconnection of the Cluster Study Project.

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 Section 40.1 of Attachment HH to the NYISO's OATT .
- 2.0 This Agreement will become effective upon the execution of the Interconnection Customer, Connecting Transmission Owner, the ISO, [and any Affected Transmission Owner(s)/Affected System Operator(s) initially identified in connection with the ISO's validation of the Interconnection Request]. If the ISO subsequently identifies potential impacts of the Cluster Study Project on the Affected System of an Affected Transmission Owner/Affected System Operator that require study under the Cluster Study Process, the Parties agree to amend this Agreement to include the applicable Affected Transmission Owner(s)/Affected System Owner(s).
- 3.0 Interconnection Customer elects for its Cluster Study Project to be evaluated for [ERIS/ERIS and CRIS/CRIS only/ External CRIS only/ an increase in CRIS] in the Cluster Study, and the NYISO, Connecting Transmission Owner, Interconnection Customer, and any Affected Transmission Owner(s)/Affected System Operator(s) shall perform their responsibilities for the Cluster Study consistent with the requirements in Attachment HH to the ISO OATT. The terms of the Attachment HH to the NYISO's OATT, as applicable, are hereby incorporated by reference herein, as such OATT requirements may be amended from time to time.
- 4.0 Interconnection Customer shall provide to the NYISO, Connecting Transmission Owner, and Affected Transmission Owner(s)/Affected System Owner(s) as applicable, the information required by the [Interconnection Request/ CRIS-Only Request] and any other information required by Attachment HH to the NYISO's OATT in accordance with timeframes set forth in Attachment HH to the NYISO's OATT.
- 5.0 The Interconnection Customer shall provide any deposits and satisfy any entry requirements required at each decision period within the Cluster Study Process in accordance with the requirements in Attachment HH to the ISO OATT for its Cluster Study Project to continue to be assessed in the Cluster Study. Interconnection Customer shall be responsible for any Withdrawal Penalties assessed to its Cluster Study Project in accordance with Attachment HH to the NYISO OATT. The time for completion of the components of the Cluster Study is specified in Attachment HH to the NYISO OATT.
- 6.0 For an Interconnection Customer seeking ERIS, (i) the Phase 1 Study report shall provide a description, estimated cost of, and preliminary schedule for the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, and Local System Upgrade Facilities required to interconnect the facility to the New York State Transmission System (or Distribution System, as applicable) in accordance with the requirements in Section [40.10] of Attachment HH to the ISO OATT and (ii) the Cluster Study Report shall provide a description, estimated cost of, and preliminary schedule for the System Upgrade Facilities required to interconnect the facility to the New York State Transmission System (or Distribution System, as applicable) in accordance with the requirements in [Sections 40.11, 40.12, and 40.15] of Attachment HH to the ISO OATT.

- 7.0 For an Interconnection Customer seeking CRIS, the Cluster Study Report (i) shall identify whether System Deliverability Upgrades are required for the facility to be fully deliverable at its requested level of CRIS; and (ii) shall provide a description and estimated cost of any required System Deliverability Upgrades in accordance with the requirements in [Sections 40.11, 40.12, 40.13, 40.14, and 40.15] of Attachment HH to the ISO OATT.
- 8.0 For an Interconnection Customer with a Cluster Study Project which interconnection impacts an External Affected System, the Interconnection Customer shall be responsible for satisfying any NYISO and External Affected System Operator requirements, including Interconnection Customer's cost responsibility, concerning the assessment of such impacts on the External Affected System and its responsibility for any required Affected System Network Upgrades.
- 9.0 Interconnection Customer shall be responsible for the actual costs incurred, as applicable by NYISO, Connecting Transmission Owner, Affected Transmission Owner(s)/Affected System, and any third party contractors for the Cluster Study Process, as computed on a time and materials basis in accordance with the rates attached hereto. The ISO shall invoice the Interconnection Customer, and Interconnection Customer shall pay the invoiced amounts to NYISO, in accordance with the requirements in Section [40.24.3] of Attachment HH to the NYISO OATT. The NYISO shall continue to hold the deposits until settlement of the final invoice, including invoicing for any Withdrawal Penalties applicable to the Cluster Study Project, in accordance with the requirements in Section [40.24.3].
- 10.0 Miscellaneous.
- 10.1 Accuracy of Information. Except as Interconnection Customer may otherwise specify in writing when they provide information to NYISO, Connecting Transmission Owner, and Affected Transmission Owner(s)/Affected System Owner(s) under this Agreement, Interconnection Customer represents and warrants that the information it provides to NYISO, Connecting Transmission Owner, and Affected Transmission Owner(s)/Affected System Owner(s) shall be accurate and complete as of the date the information is provided. Interconnection Customer shall promptly provide NYISO, Connecting Transmission Owner, and Affected Transmission Owner(s)/Affected System Owner(s) with any additional information needed to update information previously provided to the extent permitted under Attachment HH to the NYISO's OATT.
- 10.2 Disclaimer of Warranty. In preparing the components of the Cluster Study, the Party preparing such study component 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 a component of the Cluster 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 its component of the Cluster Study. Interconnection Customer 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.

- 10.3 **Limitation of Liability.** The NYISO, Connecting Transmission Owner, Affected Transmission Owner(s)/Affected System Owner(s), or any subcontractor consultants engaged by the party shall not be liable for direct damages, including money damages or other compensation, for its actions or omissions in performing its obligations under this Agreement, except to the extent its act or omission is found to result from its gross negligence or willful misconduct. 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 Cluster Study or any reliance on the Cluster Study, including any of its components, 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, except as otherwise set forth in Attachment HH to the ISO OATT.
- 10.4 **Third-Party Beneficiaries.** Without limitation of Sections 10.2 and 10.3 of this Agreement, Interconnection Customer further agrees that subcontractor consultants employed by NYISO, Connecting Transmission Owner, and Affected Transmission Owner(s)/Affected System Owner(s) to conduct or review, or to assist in the conducting or reviewing, a component of the Cluster Study shall be deemed third party beneficiaries of these Sections 10.2 and 10.3.
- 10.5 **Term and Termination.** This Agreement shall be effective from the date hereof and unless earlier terminated in accordance with this Section 10.5, shall continue in effect until the later of: (i) the completion of the Final Decision Round for the later of the Final Decision Period at the conclusion of the Phase 2 Study or the Additional SDU Study Decision Period, (ii) the ISO's receipt of final invoices from an External Affected System Operator concerning the External Affected System Operator's assessment, if applicable, of the impact of the Cluster Study Project on the External Affected System, and (iii) the final reconciliation of any payments, deposits, and Withdrawal Penalties concerning the Cluster Study Project in accordance with the requirements in Attachment HH to the NYISO's OATT. Interconnection Customer or NYISO may terminate this Agreement upon the later of (i) the withdrawal of the Interconnection Customer's project from the NYISO's Queue pursuant to Section 40.6.4 of Attachment HH, and (ii) the final reconciliation of any payments, deposits, and Withdrawal Penalties in accordance with the requirements in Attachment HH to the NYISO's OATT.
- 10.6 **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.

- 10.7 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.
- 10.8 Counterparts. This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as the original instrument.
- 10.9 Amendment. No amendment, modification or waiver of any term hereof shall be effective unless set forth in writing signed by the Parties hereto.
- 10.10 Survival. All warranties, limitations of liability and confidentiality provisions provided herein shall survive the expiration or termination hereof.
- 10.11 Independent Contractor. NYISO, Connecting Transmission Owner, and Affected Transmission Owner(s)/Affected System Owner(s) shall at all times be deemed to be independent contractors and none of their employees or the employees of their subcontractors shall be considered to be employees of the other Parties or the Interconnection Customer as a result of this Agreement.
- 10.12 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.
- 10.13 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.

New York Independent System Operator, Inc.

By: _____

Title: _____

Date: _____

[Insert name of Connecting Transmission Owner]

By: _____

Title: _____

Date: _____

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

[Insert name(s) of Affected Transmission Owner(s)/Affected System Operator(s)]

By: _____

Title: _____

Date: _____

Appendix 5 to Attachment HH FACILITY MODIFICATION REQUEST

Facility Modification Request

1. The undersigned Interconnection Customer submits this request to modify: (i) an Interconnection Request for a Facility currently in the NYISO's Queue or (ii) an existing Facility that (a) is currently in commercial operation or (b) has an executed interconnection agreement.

2. Queue Position or PTID No. (if applicable): _____

Project/Facility Name: _____

3. Nature of proposed modification (check all that apply):

___ Change in Project name

___ Change in Interconnection Customer name

___ Change in Point of Interconnection pursuant to Section [40.6.3.1] of Attachment HH

___ Change in Electric Output (MW) of the Facility

___ Modification of Technical Parameters of Facility's Technology and Transformer Impedances

___ Modification to Interconnection Configuration

___ Technological Change or Advancement

___ Extension of Commercial Operation Date

___ Other Modification Not Listed Above

4. Description of proposed modification:

5. Submit a \$10,000 study deposit (except for a requested modification for a project name change, Interconnection Customer name change, change to Point of Interconnection

pursuant to Section [40.6.3.1] of Attachment HH, or a permitted extension of a Commercial Operation Date pursuant to Section [40.6.3.4] of Attachment HH.

6. Attach a revised conceptual breaker one-line diagram and a project location geo map, as applicable.
7. If the modification is a decrease in the facility capacity or requested interconnection service, provide an explanation for the decrease, including a description of the injection-limiting equipment with all the necessary parameters of such equipment, as applicable:

8. Proposed modification to an Interconnection Request due to a technological advancement, which includes advancements to turbines, inverters, or plant supervisory controls or other similar advancements to the existing technology proposed in the Interconnection Request
 - a. If the modification is due to a technological advancement to the technology originally proposed, detail the proposed configuration of the technological advancement and the manner of installation:

- b. Provide the parameters associated with the proposed technological advancement:

Parameter	Before Application of Proposed Technological Advancement	After Application of Proposed Technological Advancement
Total Project MVA		
MVA/Unit		
Subtransient Impedance ($R'' + jX''$) or equivalent fault current limit for inverter-based technology		
Total Project MW		

MW/Unit		
Total Project MVar Capability		
Mvar Capability/Unit		
Unit kV		
Total Project Power Factor		
Unit Power Factor		
Unit Dynamic Model		
Associated Device(s) Dynamic Model		
Any applicable parameter that will change		
Total Project Single Line Diagram		

- c. If any of the above parameters would change due to the proposed technological advancement, demonstrate that the proposed incorporation of the technological advancement would result in electrical performance that is equal to or better than the electrical performance expected prior to the technology change and not cause any reliability concerns (*i.e.*, not have a material adverse impact on the transmission system with regard to short circuit capability limits, steady-state thermal and voltage limits, or dynamic system stability and response). Provide support, including any completed studies, that demonstrate that the technological advancement is permissible and/or non-material under Section [40.6.3.7] of Attachment HH to the OATT.

8. For a change to the Commercial Operation Date (COD) of the proposed Facility, provide the following:

a. Original Proposed Commercial Operation Date (Month/Year): _____

b. Revised Proposed Commercial Operation Date (Month/Year): _____

- c. For a proposed change four (4) years or more beyond the date for extending the Commercial Operation Date permitted by Section [40.6.3.4] to Attachment HH), Interconnection Customer shall attach:

- i. an Officer certification and supporting documentation demonstrating that the Interconnection Customer has satisfied the requirements in Section 40.6.3.5 of

Attachment HH to the OATT for its requested extension.

9. As it relates to the requested modification of an Interconnection Request or an existing facility, provide any updates to data required in [Attachment A to the Interconnection Request – “Detailed Generating Facility Data”] or provided during completed stages of the interconnection study process.
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Attach modeling data files¹:

- Power flow model
 - Short circuit model
 - Dynamic model
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10. The NYISO, in consultation with the Connecting Transmission Owner(s), may request additional information, if necessary, to further assess the proposed modification.

¹ PSSE files require in .raw or ,sav and .dyr format. ASPEN files are required as .olr format.

**Attachment A to Appendix 5 – FACILITY MODIFICATION REQUEST
Terms and Conditions of a Facility Modification Request**

These terms and conditions for the review and/or study of a request to modify a proposed Generating Facility, Cluster Study Transmission Project, or Class Year Transmission Project or a material modification to an existing Generating Facility, Cluster Study Transmission Project, or Class Year Transmission Project consistent with the Interconnection Request dated _____ (“Studies”), including any project modifications reviewed and approved by the NYISO, (“the Project”) and submitted by _____, a _____ organized and existing under the laws of the State of _____ (“Interconnection Customer”), set forth the respective obligations between Interconnection Customer and 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”) (hereinafter the “Terms and Conditions”). By signing below, Interconnection Customer confirms its understanding and acceptance of the Terms and Conditions.

RECITALS

WHEREAS, Interconnection Customer is proposing to develop the Project; and

WHEREAS, Interconnection Customer requests NYISO to evaluate whether the proposed modification to its [Generating Facility, Cluster Study Transmission Project, or Class Year Transmission Project/proposing a capacity addition to an existing Generating Facility, Cluster Study Transmission Project, or Class Year Transmission Project] set forth in the Facility Modification Request would constitute a Material Modification and/or a Permissible Technological Advancement, as applicable, under Attachment HH to the NYISO’s Open Access Transmission Tariff (“OATT”).

NOW, THEREFORE, in consideration of and subject to the terms and conditions contained herein, Interconnection Customer and NYISO agree as follows:

- 1.0 When used in these Terms and Conditions, with initial capitalization, the terms specified shall have the meanings indicated in Section 40.1 of Attachment HH to the NYISO OATT.
- 2.0 Interconnection Customer requests NYISO to evaluate whether the proposed modification would constitute a Material Modification and/or a Permissible Technical Advancement, as applicable, and if an additional study(ies) is required pursuant to Section [40.6.3.2] and/or Section [40.6.3.7] of Attachment HH to the OATT, NYISO shall perform, or cause to be performed, a study(ies) consistent with Attachment HH to the OATT.
- 3.0 The scope of the study(ies) shall be subject to the description and assumptions set forth in the Facility Modification Request and the data contained therein or provided upon the request of the NYISO.
- 4.0 For requested modifications other than a technological advancement, the NYISO shall

commence any necessary additional studies as soon as practicable, but in no event later than thirty (30) Calendar Days after receiving the Facility Modification Request, study deposit, and all necessary data, except as otherwise indicated in Section [40.6.3.2] to Attachment HH. NYISO shall provide a determination of whether the modifications proposed in the Facility Modification Request would constitute a Material Modification for purposes of Section [40.6.3.3] of Attachment HH to the OATT.

- 5.0 Interconnection Customer shall provide a deposit of \$10,000 with the Facility Modification Request, except for a requested modification for a project name change, Interconnection Customer name change, change to Point of Interconnection pursuant to Section [40.6.3.1] of Attachment HH, or a permitted extension of a Commercial Operation Date pursuant to Section [40.6.3.4] of Attachment HH.
- 6.0 Interconnection Customer shall be responsible for the actual costs incurred by NYISO and any subcontractor hired to perform study work, as computed on a time and materials basis in accordance with the rates provided to the Interconnection Customer at the time that the NYISO notifies the Interconnection Customer that a study(ies) is required to complete its Facility Modification Request. The ISO shall invoice the Interconnection Customer, and Interconnection Customer shall pay the invoiced amounts, in accordance with the requirements in Section [40.24.3] of Attachment HH to the NYISO OATT.. NYISO shall continue to hold any amounts on deposit, if applicable, until settlement of the final invoice in accordance with the requirements in Section [40.24.3] of Attachment HH.
- 7.0 Miscellaneous.
- 7.1 Accuracy of Information. Except as Interconnection Customer may otherwise specify in writing when it provides information to NYISO under these Terms and Conditions, Interconnection Customer represents and warrants that the information it provides to NYISO shall be accurate and complete as of the date the information is provided. Interconnection Customer shall promptly provide NYISO with any additional information needed to update information previously provided to the extent permitted by Attachment HH to the NYISO OATT.
- 7.2 Disclaimer of Warranty. In preparing the Studies, NYISO and any subcontractor consultants hired by it shall have to rely on information provided by Interconnection Customer, and possibly by third parties, and may not have control over the accuracy of such information. Accordingly, neither NYISO nor any subcontractor consultant hired by NYISO 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 Studies performed under these Terms and Conditions. Interconnection Customer 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.** The NYISO or any subcontractor consultants engaged by the NYISO shall not be liable for direct damages, including money damages or other compensation, for actions or omissions by the NYISO or a subcontractor consultant in performing its obligations under this Agreement, except to the extent such act or omission by the NYISO or a subcontractor consultant is found to result from its gross negligence or willful misconduct. In no event shall NYISO 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 these Terms and Conditions or the Studies performed or any reliance on the Studies by Interconnection Customer or third parties, even if NYISO or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any NYISO or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under these Terms and Conditions, except as otherwise set forth in Attachment HH to the ISO OATT.
- 7.4 **Third-Party Beneficiaries.** Without limitation of Sections 7.2 and 7.3 under these Terms and Conditions, Interconnection Customer further agrees that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, the study(ies) requested under the Facility Modification Request shall be deemed third-party beneficiaries of these Sections 7.2 and 7.3 under these Terms and Conditions.
- 7.5 **Term and Termination.** The obligations to conduct the Studies and under these Terms and Conditions shall be effective from the date hereof and, unless earlier terminated under these Terms and Conditions, shall continue in effect until the Study(ies) is completed or Interconnection Customer provides a written request to withdraw its Facility Modification Request. Interconnection Customer or NYISO also may terminate their obligations under these Terms and Conditions upon the withdrawal of Interconnection Customer's Interconnection Request under Section [40.6.4] of Attachment HH.
- 7.6 **Governing Law.** These Terms and Conditions and any study performed thereunder 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 these Terms and Conditions are deemed as a matter of law to be unenforceable or null and void, such unenforceable or void part shall be deemed severable from these Terms and Conditions and the obligations under these Terms and Conditions shall continue in full force and effect as if each part was not contained herein.
- 7.8 **Amendment.** No amendment, modification, or waiver of any term or condition hereof shall be effective unless set forth in writing and signed by Interconnection Customer and NYISO hereto.
- 7.9 **Survival.** All warranties, limitations of liability, and confidentiality provisions provided herein shall survive the expiration or termination hereof.
- 7.10 **Independent Contractor.** Interconnection Customer agrees that 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 Interconnection Customer as a result of performing any work under these Terms and Conditions.

- 7.11 No Implied Waivers. The failure of Interconnection Customer or NYISO to insist upon or enforce strict performance of any of the provisions of these Terms and Conditions 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.
- 7.12 Successors and Assigns. The obligations under these Terms and Conditions, and each and every term and condition hereof, shall be binding upon and inure to the benefit of Interconnection Customer and NYISO and their respective successors and assigns.

IN WITNESS THEREOF, Interconnection Customer has agreed to accept and be bound by the Terms and Conditions by its duly authorized officers or agents execution on the day and year first below written.

[Insert name of Interconnection Customer]

By: _____

Title: _____

Date: _____

APPENDIX 6 to ATTACHMENT HH – TWO-PARTY AFFECTED SYSTEM STUDY AGREEMENT

THIS AGREEMENT (“Agreement”) is made and entered into this ____ day of _____, 20 __, by and between _____, a _____ organized and existing under the laws of the State of _____ (“Affected System Interconnection Customer”) and 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”). Affected System Interconnection Customer and NYISO each may be referred to as a “Party,” or collectively as the “Parties.”

RECITALS

WHEREAS, Affected System Interconnection Customer is proposing to develop a *[description of generating or transmission facility or generating or transmission capacity addition to an existing generating or transmission facility]* consistent with the interconnection request submitted by Affected System Interconnection Customer to *[name of host region]*, dated _____, for which *[name of host region]* found impacts on the New York State Transmission System;

WHEREAS, Affected System Interconnection Customer desires to interconnect the *[generating or transmission facility]* with *[name of host region]*’s transmission system;

WHEREAS, the NYISO received notice that Affected System Interconnection Customer’s proposed interconnection to *[name of host region]*’s transmission system may impact the New York State Transmission System, indicated its affirmative intent to conduct an Affected System Study, and provided this Agreement to the Affected System Interconnection Customer for its execution; and

WHEREAS, the Affected System Interconnection Customer has executed and delivered the Agreement, provided all required technical data, and submitted the \$100,000 study deposit in accordance with the requirements in Sections 40.8.3.4 and 40.8.3.5 of Attachment HH to the ISO OATT.

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, but not otherwise defined herein, shall have the meanings indicated in Section 40.1 of Attachment HH to the ISO OATT, or if not defined therein, in the ISO OATT.
- 2.0 Affected System Interconnection Customer requests, and the NYISO shall perform or cause to be performed an Affected System Study, and any required re-study, in accordance with the requirements in Section 40.8.3 of Attachment HH to the ISO OATT. The terms of Section 40.8.3 of Attachment HH to the ISO OATT are hereby incorporated herein by reference, as such OATT requirements may be amended from time to time.

3.0 The scope of the Affected System Study shall be subject to the assumptions set forth in Attachment A to this Agreement. The NYISO shall have no obligation to study impacts of Affected System Interconnection Customers of which it is not notified.

4.0 The Affected System Study will be based upon the technical information provided by Affected System Interconnection Customer and *[name of host region]*. The NYISO reserves the right to request additional technical information from Affected System Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Affected System Study, and Affected System Interconnection Customer shall provide such information in accordance with the requirements in Section 40.8.3 of Attachment HH.

5.0 The Affected System Study shall in accordance with the requirements in Section [40.8.3.6]: (i) identify whether any Affected System Network Upgrades are required to address the impact of the Affected System Interconnection Customer's proposed interconnection to another region on the reliability of the New York State Transmission System and (ii) determine any required Affected System Network Upgrades, including the estimated cost and a preliminary schedule for the Affected System Network Upgrades.

6.0 Study Deposit and Study Costs

6.1 Affected System Interconnection Customer shall provide a study deposit in the amount of \$100,000 with the executed Agreement in accordance with Section [40.8.3.5] of Attachment HH to the ISO OATT.

6.2 Affected System Interconnection Customer shall be responsible for the actual costs incurred by the NYISO and any subcontractor, including Affected Transmission Owner or Affected System Operator, hired to perform study work, as computed on a time and materials basis in accordance with the rates attached as Appendix B hereto, including any re-study work. The ISO shall invoice the Affected System Interconnection Customer, and Affected System Interconnection Customer shall pay the invoiced amount, in accordance with the requirements in Section [40.24.3] of Attachment HH to the ISO OATT. NYISO shall continue to hold the amounts on deposit until settlement of the final invoice in accordance with the requirements in Section [40.24.3].

7.0 Upon completion of the Affected System Study, the NYISO will deliver the Affected System Study Report to the Affected System Interconnection Customer and *[name of host region]* and will meet with the Affected System Interconnection Customer to discuss the study results in accordance with the requirements in Section [40.8.3.8] to Attachment HH. Following completion of this meeting, the ISO will commence an iterative decision process in accordance with the requirements in Section [40.8.3.10] by which an Interconnection Customer may accept its allocated costs for any Affected System Network Upgrades and pay cost or post Security to the Affected Transmission Owner or Affected System Operator for these facilities.

8.0 Miscellaneous.

- 8.1 Accuracy of Information. Except as Affected System Interconnection Customer may otherwise specify in writing when it provides information to the NYISO under this Agreement, Affected System Interconnection Customer represents and warrants that to the best of its knowledge and belief the information it has provided or subsequently provides to the NYISO is and shall be accurate and complete as of the date the information is provided. Affected System Interconnection Customer shall promptly provide the NYISO with any additional information needed to update information previously provided to the extent permitted by Attachment HH to the NYISO OATT.
- 8.2 Disclaimer of Warranty. In performing the Affected System Study or re-study, the NYISO and any subcontractor consultants engaged by the NYISO will have to rely on information provided by Affected System Interconnection Customer, and possibly by third parties, and may not have control over the accuracy of such information. Accordingly, neither the NYISO nor any subcontractor consultant engaged by the NYISO 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 Affected System Study or re-study. Affected System Interconnection Customer acknowledges that it has not relied on any representations or warranties by the NYISO or its subcontractor consultants not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.
- 8.3 Limitation of Liability. The NYISO or any subcontractor consultants engaged by the NYISO shall not be liable for direct damages, including money damages or other compensation, for actions or omissions by the NYISO or a subcontractor consultant in performing its obligations under this Agreement, except to the extent such act or omission by the NYISO or a subcontractor consultant is found to result from its gross negligence or willful misconduct. In no event shall either 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 Affected System Study or re-study or any reliance on the Affected System Study or re-study by either 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 either 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, except as otherwise indicated in Attachment HH to the ISO OATT.
- 8.4 Third-Party Beneficiaries. Without limitation of Sections 10.2 and 10.3 of this Agreement, Affected System Interconnection Customer further agrees that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, the Affected System Study or re-study of the Interconnection Request shall be deemed third party beneficiaries of these Sections 10.2 and 10.3.

- 8.5 **Term and Termination.** This Agreement shall be effective from the date hereof and, unless earlier terminated in accordance with this Section 10.5, shall continue in effect until the later of: (i) the Affected System Study and re-study and the final iterative decision period is completed and (ii) the Affected System Interconnection Customer makes its final payment under this Agreement and is refunded any remaining portion of its study deposit. The Affected System Interconnection Customer or NYISO may terminate this Agreement upon the withdrawal of the Affected System Interconnection Customer's Queue Position from the NYISO Queue or upon the ISO's receipt of notice that the Affected System Interconnection Customer's project has been withdrawn from the region in which it proposes to interconnect.
- 8.6 **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.
- 8.7 **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.
- 8.8 **Counterparts.** This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as the original instrument.
- 8.9 **Amendment.** No amendment, modification or waiver of any term hereof shall be effective unless set forth in writing signed by the Parties hereto.
- 8.10 **Survival.** All warranties, limitations of liability and confidentiality provisions provided herein shall survive the expiration or termination hereof.
- 8.11 **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 the Affected System Interconnection Customer as a result of this Agreement.
- 8.12 **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.
- 8.13 **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.

New York Independent System Operator, Inc.

By: _____

Title: _____

Date: _____

[Insert name of Affected System Interconnection Customer]

By: _____

Title: _____

Date: _____

Queue Position No. ____

**Attachment A to Appendix 6
Two-Party Affected System Study Agreement**

ASSUMPTIONS USED IN CONDUCTING THE AFFECTED SYSTEM STUDY

The Affected System Study will be based upon the following assumptions:

[Assumptions to be completed by Affected System Interconnection Customer and NYISO]

**Attachment B to Appendix 6
Two-Party Affected System Study Agreement**

RATES USED FOR CONDUCTING THE AFFECTED SYSTEM STUDY

[Rates to be inserted by ISO.]

APPENDIX 7 to ATTACHMENT HH – MULTIPARTY AFFECTED SYSTEM STUDY AGREEMENT

[If more than two Affected System Interconnection Customers are subject to this Agreement, additional placeholders will be added to the preamble, recitals, and signature block as needed to account for the additional Affected System Interconnection Customers.]

THIS AGREEMENT (“Agreement”) is made and entered into this ____ day of _____, 20____, by and among _____, a _____ organized and existing under the laws of the State of _____ (“Affected System Interconnection Customer”); _____, a _____ organized and existing under the laws of the State of _____ (“Affected System Interconnection Customer”); and 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”). Affected System Interconnection Customers and NYISO each may be referred to as a “Party,” or collectively as the “Parties.” Except as otherwise indicated in this Agreement, Affected System Interconnection Customers each may be referred to as “Affected System Interconnection Customer” or collectively as the “Affected System Interconnection Customers.”

RECITALS

WHEREAS, Affected System Interconnection Customers are proposing to develop *[description of generating and/or transmission facilities or generating and/or transmission capacity additions to an existing generating or transmission facility]* consistent with the interconnection requests submitted by Affected System Interconnection Customer to *[name of host region]*, dated _____, for which *[name of host region]* found impacts on the New York State Transmission System;

WHEREAS, Affected System Interconnection Customers desire to interconnect their *facilities* with *[name of host region]*’s transmission system;

WHEREAS, the NYISO received notice that Affected System Interconnection Customers’ proposed interconnection to *[name of host region]*’s transmission system may impact the New York State Transmission System, indicated its affirmative intent to conduct an Affected System Study, and provided this Agreement to the Affected System Interconnection Customers for their execution; and

WHEREAS, each Affected System Interconnection Customer has executed and delivered the Agreement, provided all required technical data, and submitted the \$100,000 study deposit in accordance with the requirements in Sections 40.8.3.4 and 40.8.3.5 of Attachment HH to the ISO OATT.

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, but not otherwise defined herein, shall have the meanings indicated in Section 40.1 of Attachment HH to the ISO OATT, or if not defined therein, in the ISO OATT.
- 2.0 Affected System Interconnection Customers request, and the NYISO shall perform or cause to be performed an Affected System Study, and any required re-study, in accordance with the requirements in Section 40.8.3 of Attachment HH to the ISO OATT. The terms of Section 40.8.3 of Attachment HH to the ISO OATT are hereby incorporated herein by reference, as such OATT requirements may be amended from time to time.
- 3.0 The scope of the Affected System Study shall be subject to the assumptions set forth in Attachment A to this Agreement. The NYISO shall have no obligation to study impacts of Affected System Interconnection Customers of which it is not notified.
- 4.0 The Affected System Study will be based upon the technical information provided by Affected System Interconnection Customers and *[name of host region]*. The NYISO reserves the right to request additional technical information from Affected System Interconnection Customers as may reasonably become necessary consistent with Good Utility Practice during the course of the Affected System Study, and Affected System Interconnection Customers shall provide such information in accordance with the requirements in Section 40.8.3 of Attachment HH.
- 5.0 The Affected System Study shall in accordance with the requirements in Section [40.8.3.6]: (i) identify whether any Affected System Network Upgrades are required to address the impact of the Affected System Interconnection Customers' proposed interconnection to another region on the reliability of the New York State Transmission System and (ii) determine any required Affected System Network Upgrades, including the estimated cost and a preliminary schedule for the Affected System Network Upgrades.
- 6.0 Study Deposit and Study Costs
 - 6.1 Affected System Interconnection Customers shall each provide a study deposit in the amount of \$100,000 with the executed Agreement in accordance with Section [40.8.3.5] of Attachment HH to the ISO OATT.
 - 6.2 Affected System Interconnection Customers shall be responsible for the actual costs incurred by the NYISO and any subcontractor, including Affected Transmission Owner or Affected System Operator, hired to perform study work, as computed on a time and materials basis in accordance with the rates attached as Appendix B hereto, including any re-study work. The ISO shall invoice each Affected System Interconnection Customers, and each Affected System Interconnection Customer shall pay the invoiced amount, in accordance with the requirements in Section [40.24.3] of Attachment HH to the ISO OATT. NYISO shall continue to hold the amounts on deposit until settlement of the final invoice in accordance with the requirements in Section [40.24.3].
- 7.0 Upon completion of the Affected System Study, the NYISO will deliver the Affected System Study Report to the Affected System Interconnection Customers and *[name of*

host region] and will meet with the Affected System Interconnection Customers to discuss the study results in accordance with the requirements in Section [40.8.3.8] to Attachment HH. Following completion of this meeting, the ISO will commence an iterative decision process in accordance with the requirements in Section [40.8.3.10] by which each Interconnection Customer may accept its allocated costs for any Affected System Network Upgrades and pay cost or post Security to the Affected Transmission Owner or Affected System Operator for these facilities.

8.0 Miscellaneous.

- 8.1 Accuracy of Information. Except as an Affected System Interconnection Customer may otherwise specify in writing when it provides information to the NYISO under this Agreement, Affected System Interconnection Customer represents and warrants that to the best of its knowledge and belief the information it has provided or subsequently provides to the NYISO is and shall be accurate and complete as of the date the information is provided. Affected System Interconnection Customers shall promptly provide the NYISO with any additional information needed to update information previously provided to the extent permitted by Attachment HH to the NYISO OATT.
- 8.2 Disclaimer of Warranty. In performing the Affected System Study or re-study, the NYISO and any subcontractor consultants engaged by the NYISO will have to rely on information provided by Affected System Interconnection Customers, and possibly by third parties, and may not have control over the accuracy of such information. Accordingly, neither the NYISO nor any subcontractor consultant engaged by the NYISO 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 Affected System Study or re-study. Each Affected System Interconnection Customer acknowledge that it has not relied on any representations or warranties by the NYISO or its subcontractor consultants not specifically set forth herein and that no such representations or warranties have formed the basis of its bargain hereunder.
- 8.3 Limitation of Liability. The NYISO or any subcontractor consultants engaged by the NYISO shall not be liable for direct damages, including money damages or other compensation, for actions or omissions by the NYISO or a subcontractor consultant in performing its obligations under this Agreement, except to the extent such act or omission by the NYISO or a subcontractor consultant is found to result from its gross negligence or willful misconduct. In no event shall either 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 Affected System Study or re-study or any reliance on the Affected System Study or re-study by either 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 either 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, except as otherwise indicated in Attachment HH to the ISO OATT.

- 8.4 Third-Party Beneficiaries. Without limitation of Sections 10.2 and 10.3 of this Agreement, Affected System Interconnection Customers further agree that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, the Affected System Study or restudy of the Interconnection Request shall be deemed third party beneficiaries of these Sections 10.2 and 10.3.
- 8.5 Term and Termination. This Agreement shall be effective from the date hereof and, unless earlier terminated in accordance with this Section 10.5, shall continue in effect until the later of: (i) the Affected System Study and any re-study and the final iterative decision period is completed and (ii) the Affected System Interconnection Customers make the final payment under this Agreement and are refunded any remaining portion of its study deposit. The Affected System Interconnection Customer or NYISO may terminate this Agreement upon the withdrawal of the Affected System Interconnection Customers' Queue Position from the NYISO Queue or upon the ISO's receipt of notice that the Affected System Interconnection Customers' projects have been withdrawn from the region in which it proposes to interconnect..
- 8.6 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.
- 8.7 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.
- 8.8 Counterparts. This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as the original instrument.
- 8.9 Amendment. No amendment, modification or waiver of any term hereof shall be effective unless set forth in writing signed by the Parties hereto.
- 8.10 Survival. All warranties, limitations of liability and confidentiality provisions provided herein shall survive the expiration or termination hereof.
- 8.11 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 the Affected System Interconnection Customers as a result of this Agreement.

8.12 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.

8.13 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.

New York Independent System Operator, Inc.

By: _____

Title: _____

Date: _____

[Insert name of Affected System Interconnection Customer]

By: _____

Title: _____

Date: _____

Queue Position No. _____

[Insert name of Affected System Interconnection Customer]

By: _____

Title: _____

Date: _____

Queue Position No. _____

**Attachment A to Appendix 7
Multiparty Affected System Study Agreement**

**ASSUMPTIONS USED IN CONDUCTING THE
MULTIPARTY AFFECTED SYSTEM STUDY**

The Affected System Study will be based upon the following assumptions:

[Assumptions to be completed by Affected System Interconnection Customers and NYISO]

Attachment B to Appendix 7

Multiparty Affected System Study Agreement

RATES USED FOR CONDUCTING THE AFFECTED SYSTEM STUDY

[Rates to be inserted by ISO.]

Appendix 13 to Attachment HH – FAST TRACK REQUEST

A Fast Track Request is considered complete when the Interconnection Customer provides all applicable and correct information required below, together with the required application fee, submitted to the ISO.

A. Preamble and Instructions

An Interconnection Customer who requests the use of the Fast Track Process for the ISO's assessment of the interconnection of a Generating Facility that is 20 MW or smaller to the New York State Transmission System or the Distribution System must submit this Fast Track Request through the interconnection portal on the NYISO website. The ISO will send a copy to the Connecting Transmission Owner.

B. Processing Fee or Deposit:

The application fee for the Fast Track Process shall be anon-refundable \$500 processing fee.

C. Interconnection Customer Information

Legal Name of the Interconnection Customer (or, if an individual, individual's name) (must be a single individual or entity)

Name of Interconnection Customer:_____

Contact Person:_____

Mailing Address:_____

City:_____ State:_____ Zip:_____

Facility Location (if different from above):_____

Telephone : _____

E-Mail Address:_____

Additional Contact Information

Contact Name:_____

Title:_____

Address:_____

Telephone:_____

E-Mail Address: _____

D. Application Information

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

Net Metering? Yes ___ No ___

To Supply Power to the Interconnection Customer? Yes ___ No ___

To Supply Power to Others Through Wholesale Sales Over the New York State

Transmission System or Distribution System? Yes ___ No ___

To Supply Power to a Host Load? Yes ___ No ___

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

(Local Electric Service Provider)

(Existing Account Number)

Local Electric Service Provider Contact Name: _____

Title: _____

Address: _____

Telephone: _____

E-Mail Address: _____

Project Name: _____

Project Description: _____

Requested Point of Interconnection: _____

Coordinates (i.e., latitude and longitude) of the Proposed Point of Interconnection: _____

Interconnection Customer's Proposed Initial Feedback Date: _____

Interconnection Customer's Proposed Synchronization Date: _____

Interconnection Customer's Proposed Commercial Operation Date: _____

E. Generating Facility Information

Data apply only to the Generating Facility, not the Attachment Facilities.

1. Describe the composition of assets (including MW level) within the facility, including load reduction assets (e.g., 5 MW wind facility, 2 MW Energy Storage Resource and a load reduction resource with a maximum of 1 MW of load reduction):

2. Maximum Injection Capability of entire Generating Facility over 1 hour:
3. If the facility includes a Resource with Energy Duration Limitations, indicate the maximum injection capability for the entire Generating Facility over the selected duration (e.g., 10 MW over 4 hours):

4. Provide the following information for each Generator within the Generating Facility:

Energy Source: ___ Solar ___ Wind ___ Hydro ___ Hydro Type (e.g. Run-of-River): _____
Diesel ___ Natural Gas ___ Fuel Oil ___ Other (state type) _____

Generator Nameplate Rating: _____ MW (Typical) Generator Nameplate MVAR: _____

As applicable, for BTM:NG Resources, please also provide the following information:

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

Existing load? Yes ___ No ___

If existing load with metered load data, provide coincident Summer peak load: _____

If new load or existing load without metered load data, provide estimated coincident Summer peak load: _____

Is the new load or existing load in the Transmission Owner's service area?

___ Yes ___ No Local provider: _____

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

Equipment Type

Certifying Entity

1. _____

Generator (or solar collector)

Manufacturer, Model Name & Number: _____

Version Number: _____

Nameplate Output Power Rating in MW: (Summer) _____ (Winter) _____

Nameplate Output Power Rating in MVA: (Summer) _____ (Winter) _____

Individual Generator Reactive Capability in kVAR

Leading: _____ Lagging: _____

If wind, total number of generators in wind farm to be interconnected pursuant to this

Interconnection Request: _____

Generator Height: _____ ☐ Single phase ☐ Three Phase

In addition to the above information, as applicable, for Resources with Energy Duration Limitations, please also provide the following information:

Inverter manufacturer, model name, number, and version: _____

Energy storage capability (MWh): _____

Minimum Duration for full discharge (i.e., injection) (Hours): _____

Minimum Duration for full charge (i.e., withdrawal) (Hours): _____

Maximum withdrawal from the system (i.e., when charging) (MW): _____

Maximum sustained injection (in MW) over the Interconnection Customer-selected duration:

Primary frequency response operating range for electric storage resource:

Minimum State of Charge: _____(%) Maximum State of Charge: _____ (%)

a.

If wind, total number of generators in wind farm to be interconnected pursuant to this

Interconnection Request: _____

Generator Height: Single phase _____ Three Phase _____

If an Energy Storage Resource:

Inverter manufacturer, model name, number, and version:

Energy storage capability (MWh):

Minimum Duration for full discharge (i.e., injection) (Hours):

Minimum Duration for full charge (i.e., withdrawal) (Hours):

Maximum withdrawal from the system (i.e., when charging) (MW):

Maximum sustained four-hour injection in MW hours:

Primary frequency response operating range for electric storage resource: _____

Minimum State of Charge: _____ (%) Maximum State of Charge: _____ (%)

F. Additional Information

Enclose copy of site electrical one-line diagram showing the configuration of all Generating Facility equipment, current and potential circuits, and protection and control schemes. This one-line diagram must be signed and stamped by a licensed Professional Engineer if the Generating Facility is larger than 50 kW.

- Is One-Line Diagram Enclosed? ____ Yes ____ No

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

- Site Control Documentation Enclosed? ____ Yes ____ No
- Site Control provided for the following number of acres: _____

H. Applicant Signature

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

For Interconnection Customer:

By (signature): _____

Name (type or print): _____

Title: _____

Company: _____

Date: _____

ATTACHMENT A TO APPENDIX 13 – FAST TRACK REQUEST– Terms and Conditions of Interconnection Study(ies)

These terms and conditions for the study of a Generating Facility in the Fast Track Process proposed in the Fast Track Request dated _____ (“the Project”) and submitted by _____, a _____ organized and existing under the laws of the State of _____ (“Interconnection Customer”) sets forth the respective obligations between Interconnection Customer and 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”) (hereinafter the “Terms and Conditions”). By signing below, Interconnection Customer confirms its understanding and acceptance of the Terms and Conditions.

RECITALS

WHEREAS, the Interconnection Customer is proposing the Project; and

WHEREAS, desires to use the Fast Track Process to interconnect the Generating Facility of 20 MW or smaller with the New York State Transmission System (or the Distribution System, as applicable); and

WHEREAS, the Interconnection Customer has requested NYISO to assess the Project under the Fast Track Process;

Now, THEREFORE, in consideration of and subject to the terms and conditions contained herein, the Interconnection Customer and NYISO agree as follows:

- 1.0 When used in under these Terms and Conditions, with initial capitalization, the terms specified shall have the meanings specified in Section 40.1 of the Standard Interconnection Procedures in Attachment HH to the NYISO Open Access Transmission Tariff (“OATT”).
- 2.0 The Interconnection Customer shall elect and NYISO shall cause to be performed, an assessment of the Project in the Fast Track Process, including any supplemental review agreed upon by Interconnection Customer, in accordance with the requirement in Section [40.23] of Attachment HH to the NYISO OATT (“Study”). The terms of Attachment HH to the NYISO OATT, as applicable, are incorporated by reference herein.
.
- 3.0 The NYISO’s assessment of the Project in accordance with the Fast Track Process requirements in Section [40.23] of Attachment HH to the ISO OATT in connection with the Fast Track Request and these Terms and Conditions will be based on the technical information provided by the Interconnection Customer in the Fast Track Request. NYISO reserves the right to request additional information from the Interconnection Customer as may reasonable become necessary consistent with Good Utility Practice during the course of its assessment. If the Interconnection Customer modifies its

designated Point of Interconnection, the Fast Track Request, or the technical information provided in the Interconnection Request, the time to complete the Study may be extended.

- 4.0 The NYISO shall perform the Fast Track Process assessment of the Project, including any supplemental review agreed upon by Interconnection Customer, in accordance with the requirements in Section [40.23] of Attachment HH to the NYISO OATT.
- 5.0 The Interconnection Customer shall provide NYISO with a \$500 application fee for its performance of the Fast Track Process assessment. For purposes of any supplemental review, Interconnection Customer shall provide the NYISO with a deposit in accordance with the requirements in Section [40.23.4] of Attachment HH to the ISO OATT.
- 6.0 For purposes of any supplemental review agreed upon by Interconnection Customer, Interconnection Customer shall be responsible for the actual costs incurred by NYISO and any subcontractor hired to perform study work, as computed on a time and materials basis in accordance with the rates provided to the Interconnection Customer upon its agreement for the supplemental review. The ISO shall invoice Interconnection Customer, and Interconnection Customer shall pay the invoiced amounts, in accordance with the requirements in Section [40.24.3] of Attachment HH to the NYISO OATT. The NYISO shall continue to hold any amounts on deposit, if applicable, until settlement of the final invoice in accordance with the requirements in Section [40.24.3] of Attachment HH.
- 7.0 Miscellaneous.
 - 7.1 Accuracy of Information. Except as the Interconnection Customer may otherwise specify in writing when it provides information to NYISO under these Terms and Conditions, the Interconnection Customer represents and warrants that the information it provides to NYISO shall be accurate and complete as of the date the information is provided. The Interconnection Customer shall promptly provide NYISO with any additional information needed to update information previously provided to the extent permitted by Attachment HH to the ISO OATT.
 - 7.2 Disclaimer of Warranty. In preparing the Study, NYISO and any subcontractor consultants hired by it shall have to rely on information provided by the Interconnection Customer, and possibly by third parties, and may not have control over the accuracy of such information. Accordingly, neither NYISO nor any subcontractor consultant hired by NYISO 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 Studies performed under these Terms and Conditions. The Interconnection Customer 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.** The NYISO or any subcontractor consultants engaged by the NYISO shall not be liable for direct damages, including money damages or other compensation, for actions or omissions by the NYISO or a subcontractor consultant in performing its obligations under this Agreement, except to the extent such act or omission by the NYISO or a subcontractor consultant is found to result from its gross negligence or willful misconduct. In no event shall NYISO 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 these Terms and Conditions or the Study performed or any reliance on the Study by the Interconnection Customer or third parties, even if NYISO or its subcontractor consultants have been advised of the possibility of such damages. Nor shall any NYISO or its subcontractor consultants be liable for any delay in delivery or for the non-performance or delay in performance of its obligations under these Terms and Conditions, except as otherwise set forth in Attachment HH to the ISO OATT..
- 7.4 **Third-Party Beneficiaries.** Without limitation of Sections 6.2 and 6.3 under these Terms and Conditions, the Interconnection Customer further agrees that subcontractor consultants hired by NYISO to conduct or review, or to assist in the conducting or reviewing, one or more of the Studies requested under the Interconnection Request shall be deemed third-party beneficiaries of these Sections 6.2 and 6.3 under these Terms and Conditions.
- 7.5 **Term and Termination.** The obligations to conduct the Study and under these Terms and Conditions shall be effective from the date hereof and, unless earlier terminated under these Terms and Conditions, shall continue in effect until the later of: (i) the Study is completed in accordance with the requirements in Section [40.23] of Attachment HH to the ISO OATT and (ii) the Interconnection Customer makes the final payment under this Agreement and is refunded any remaining portion of its study deposit. The Interconnection Customer or NYISO may terminate their obligations under these Terms and Agreement upon the withdrawal of the Interconnection Customer's Fast Track Request under the Standard Interconnection Procedures.
- 7.6 **Governing Law.** These Terms and Conditions and any study performed thereunder 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 these Terms and Conditions are deemed as a matter of law to be unenforceable or null and void, such unenforceable or void part shall be deemed severable from these Terms and Conditions and the obligations under these Terms and Conditions shall continue in full force and effect as if each part was not contained herein.
- 7.8 **Amendment.** No amendment, modification, or waiver of any term or condition hereof shall be effective unless set forth in writing and signed by the Interconnection Customer and NYISO hereto.

- 7.9 Survival. All warranties, limitations of liability, and confidentiality provisions provided herein shall survive the expiration or termination hereof.
- 7.10 Independent Contractor. Interconnection Customer agrees that 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 the Interconnection Customer as a result of performing any work under these Terms and Conditions.
- 7.11 No Implied Waivers. The failure of the Interconnection Customer or NYISO to insist upon or enforce strict performance of any of the provisions of these Terms and Conditions 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.
- 7.12 Successors and Assigns. The obligations under these Terms and Conditions, and each and every term and condition hereof, shall be binding upon and inure to the benefit of the Interconnection Customer and NYISO and their respective successors and assigns.

IN WITNESS THEREOF, the Interconnection Customer has agreed to accept and be bound by the Terms and Conditions by its duly authorized officers or agents execution on the day and year first below written.

[Insert name of Interconnection Customer]

By: _____

Title: _____

Appendix 14 to Attachment HH – Reserved

Appendix 15 to Attachment HH – STANDARD INTERCONNECTION AGREEMENT

**(Applicable to Generating Facilities, Class Year Transmission Projects, and Cluster Study
Transmission Projects)**

SERVICE AGREEMENT NO. [●]

**SERVICE AGREEMENT NO. [●]
STANDARD INTERCONNECTION AGREEMENT
AMONG THE
NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.
AND
[INSERT CONNECTING TRANSMISSION OWNER]
AND
*[INSERT INTERCONNECTION CUSTOMER]***

Dated as of *[insert execution date]*

Facility Project Name: *[insert project name]*

Queue Position No(s): *[insert Queue number(s)]*

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STANDARD INTERCONNECTION AGREEMENT

THIS STANDARD INTERCONNECTION AGREEMENT (“Agreement”) is made and entered into this ____ day of _____ 20__, by and among: (i) _____, a [corporate description] organized and existing under the laws of the State/Commonwealth of _____ (“Interconnection Customer” with a Facility), (ii) 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 (iii) _____ a [corporate description] organized and existing under the laws of the State of New York (“Connecting Transmission Owner”). Interconnection Customer, the NYISO, or Connecting Transmission Owner each may be referred to as a “Party” or collectively referred to as the “Parties.”

RECITALS

WHEREAS, NYISO operates the New York State Transmission System and Connecting Transmission Owner owns certain facilities included in the New York State Transmission System;

WHEREAS, Interconnection Customer intends to own, lease and/or control and operate the Facility identified in Appendix A to this Agreement; and,

WHEREAS, Interconnection Customer, NYISO, and Connecting Transmission Owner have agreed to enter into this Agreement for the purpose of interconnecting the Facility with the New York State Transmission System;

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

ARTICLE 1. DEFINITIONS

Whenever used in this Agreement with initial capitalization, the following terms shall have the meanings specified in this Article 1. Terms used in this Agreement with initial capitalization that are not defined in this Article 1 shall have the meanings specified in Section 1 of the ISO OATT, Section 40.1 of Attachment HH of the OATT, , the body of the Standard Interconnection Procedures, or the body of this Agreement.

Affected System shall mean an electric system within the New York Control Area other than the transmission system owned, controlled or operated by the Connecting Transmission Owner that may be affected by the proposed interconnection.

Affected System Operator shall mean the entity that operates an Affected System. Affected System Operator includes the Affected Transmission Owners.

Affected Transmission Owner shall mean the New York public utility or authority (or its designated agent) other than the Connecting Transmission Owner that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the ISO OATT, and (ii) owns, leases or otherwise possesses an interest in a portion of the New York

State Transmission System where System Deliverability Upgrades, System Upgrade Facilities, Affected Network Upgrade Facilities, or Network Upgrade Facilities are or will be installed pursuant to Attachment P, Attachment X, Attachment S, or Attachment HH to the ISO OATT.

Affiliate shall mean, with respect to a person or entity, any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust or unincorporated organization, directly or indirectly controlling, controlled by, or under common control with, such person or entity. The term “control” shall mean the possession, directly or indirectly, of the power to direct the management or policies of a person or an entity. A voting interest of ten percent or more shall create a rebuttable presumption of control.

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 Electric Reliability Organization, the NPCC and the NYSRC.

Applicable Reliability Requirements: shall mean the NYSRC Reliability Rules, and other criteria, standards and procedures, as described in Section [40.12.1.2] of this Attachment HH, applied when conducting the Cluster Baseline Assessment and the Cluster Project Assessment; 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 Standard Interconnection Procedures. The Applicable Reliability Requirements applied are those in effect when the particular assessment is commenced.

Attachment Facilities shall mean the Connecting Transmission Owner’s Attachment Facilities and the Interconnection Customer’s Attachment Facilities. Collectively, Attachment Facilities include all facilities and equipment between the Generating Facility or Cluster Study Transmission Project and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Facility to the New York State Transmission System or Distribution System. Attachment Facilities are sole use facilities and shall not include Stand Alone System Upgrade Facilities, Distribution Upgrades, System Upgrade Facilities or System Deliverability Upgrades.

Balancing Authority shall mean an entity that integrates resource plans ahead of time, maintains demand and resource balance within a Balancing Authority Area, and supports interconnection frequency in real time.

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

Base Case shall mean the base case power flow, short circuit, and stability data bases used for the Interconnection Studies or Cluster Study by the NYISO, Connecting Transmission Owner or Interconnection Customer; as described, as applicable, in Section 30.2.3 of the Standard Large

Facility Interconnection Procedures or Section [40.2.6] of the Standard Interconnection Procedures.

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

Breaching Party shall mean a Party that is in Breach of this Agreement.

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

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

Capacity Resource Interconnection Service (“CRIS”) shall mean the service provided by NYISO to Interconnection Customers that satisfy the NYISO Deliverability Interconnection Standard or that are otherwise eligible to receive CRIS in accordance with Attachment S or HH to the ISO OATT; such service being one of the eligibility requirements for participation as a NYISO Installed Capacity Supplier.

Class Year Interconnection Facilities Study (“Class Year Study”) shall mean a study conducted by the NYISO or a third party consultant for the Interconnection Customer to determine a list of facilities (including Connecting Transmission Owner’s Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades 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 Class Year Transmission Project with the New York State Transmission System or with the Distribution System. The scope of the study is defined in Section 30.8 of the Large Facility Interconnection Procedures in Attachment X to the ISO OATT.

Class Year Transmission Project shall mean an Interconnection Customer’s proposed new transmission facility that will interconnect to the New York State Transmission System or a proposed upgrade—an improvement to, addition to, or replacement of a part of an existing transmission facility—to the New York State Transmission System, for which (1) the Interconnection Customer is eligible to request and does request Capacity Resource Interconnection Service, subject to the eligibility requirements set forth in the ISO Procedures; or (2) the Interconnection Customer requests only Energy Resource Interconnection Service and the transmission facility for which it requests Energy Resource Interconnection Service is a transmission facility over which power flow can be directly controlled by power flow control devices directly connected to the Class Year Transmission Project without having to re-dispatch generation. Class Year Transmission Projects shall not include Attachment Facilities, Network Upgrade Facilities, System Upgrade Facilities or System Deliverability Upgrades.

Cluster Study shall mean the study conducted, as applicable, by the ISO, Connecting Transmission Owner, Affected Transmission Owner, Affected System Operator or a third party consultant for the Interconnection Customer to determine a list of facilities (including Connecting Transmission Owner’s Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades), the cost of those facilities, and the time required to interconnect the Generating Facility or Cluster Study Transmission Project with the

New York State Transmission System or with the Distribution System. The Cluster Study includes the Phase 1 Study and the Phase 2 Study.

Cluster Study Transmission Project shall mean an Interconnection Customer's proposed new transmission facility that will interconnect to the New York State Transmission System or a proposed upgrade—an improvement to, addition to, or replacement of a part of an existing transmission facility—to the New York State Transmission System, for which (1) the Interconnection Customer is eligible to request and does request Capacity Resource Interconnection Service, subject to the eligibility requirements set forth in the ISO Procedures; or (2) the Interconnection Customer requests only Energy Resource Interconnection Service and the transmission facility for which it requests Energy Resource Interconnection Service is a transmission facility over which power flow can be directly controlled by power flow control devices directly connected to the Cluster Study Transmission Project without having to re-dispatch generation. Cluster Study Transmission Projects shall not include Attachment Facilities, Network Upgrade Facilities, System Upgrade Facilities or System Deliverability Upgrades.

Commercial Operation shall mean the status of a 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 Facility commences Commercial Operation, notice of which must be provided by the Interconnection Customer to the NYISO and Connecting Transmission Owner in the form provided in Appendix E-2 to this Agreement.

Confidential Information shall mean any information that is defined as confidential by Article 22 of this Agreement.

Connecting Transmission Owner shall mean the New York 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 ISO OATT, (ii) owns, leases or otherwise possesses an interest in the portion of the New York State Transmission System or Distribution System at the Point of Interconnection, and (iii) is a Party to this Agreement. For purposes of this Agreement, the Connecting Transmission Owner is set forth in the preamble of this Agreement.

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

Contingent Facilities shall mean those Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and/or System Deliverability Upgrades associated with Class Year Projects

or Cluster Study Projects upon which the Facility's Class Year Study or Cluster Study Project Cost Allocations are dependent, and if delayed or not built, could impact the actual costs and timing of the Facility's Project Cost Allocation for System Upgrade Facilities or System Deliverability Upgrades.

Default shall mean the failure of a Party in Breach of this Agreement to cure such Breach in accordance with Article 17 of this Agreement.

Distribution System shall mean the Connecting Transmission Owner's facilities and equipment used to distribute electricity that are subject to FERC jurisdiction, and are subject to the NYISO's Standard Interconnection Procedures in Attachment HH to the ISO OATT under FERC Order Nos. 2003 and/or 2006. The term Distribution System shall not include LIPA's distribution facilities.

Distribution Upgrades shall mean the modifications or additions to the existing Distribution System at or beyond the Point of Interconnection that are required for the Facility to connect reliably to the system in a manner that meets the NYISO Minimum Interconnection Standard. Distribution Upgrades do not include Attachment Facilities, System Upgrade Facilities, or System Deliverability Upgrades.

Effective Date shall mean the date on which this Agreement becomes effective in accordance with Article [2.1] of this Agreement.

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

Emergency State shall mean the condition or state that the New York State Power System is in when an abnormal condition occurs that requires automatic or immediate manual action to prevent or limit loss of the New York State Transmission System or Generators that could adversely affect the reliability of the New York State Power System.

Energy Resource Interconnection Service ("ERIS") shall mean the service provided by NYISO to interconnect the Interconnection Customer's Generating Facility, Class Year Transmission Project, or Cluster Study Transmission Project to the New York State Transmission System or to the Distribution System in accordance with the NYISO Minimum Interconnection Standard, to enable the New York State Transmission System to receive Energy and Ancillary Services from the Generating Facility, Class Year Transmission Project, or Cluster Study Transmission Project, pursuant to the terms of the ISO OATT.

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

Facility shall mean, as applicable, the Generating Facility, Class Year Transmission Project, or Cluster Study Transmission Project.

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

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

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

Generating Facility shall mean Interconnection Customer’s device(s) for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include: the Interconnection Customer’s Attachment Facilities or Distribution Upgrades. A facility comprised of multiple Generators will be treated as a single Generating Facility if the facility proposed in the Interconnection Request is comprised of multiple Generators behind a single Point of Interconnection, even if such Generators are different technology types.

Generating Facility Capacity shall mean the net seasonal capacity of the Generating Facility or the aggregate net seasonal capacity of the Generating Facility more than one device for a production and/or storage for later injection.

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

Governmental Authority shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over 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 Interconnection Customer, NYISO, Affected Transmission Owner, Affected System Operator, Connecting Transmission Owner, or any Affiliate thereof.

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

Initial Feedback Date shall mean the date upon which the Interconnection Customer reasonably expects it will be ready to begin use of the Connecting Transmission Owner's Attachment Facilities to obtain back feed power. Initial Feedback Date shall include the term In-Service Date as that term is used in Attachments S, X, and Z to the ISO OATT.

Interconnection Customer shall mean any entity, including the Connecting Transmission Owner or any of its affiliates or subsidiaries, that proposes to interconnect its Generating Facility, Class Year Transmission Project, or Cluster Study Transmission Project with the New York State Transmission System or the Distribution System. For purposes of applying the requirements in this Agreement, an Interconnection Customer shall include an entity that was categorized as a Developer under the NYISO's Standard Large Facility Interconnection Procedures.

Interconnection Customer's Attachment Facilities shall mean all facilities and equipment that are located between the Generating Facility, Class Year Transmission Project, or Cluster Study Transmission Project and the Point of Change of Ownership as identified in Appendix A to this Agreement, including any modification, addition, or upgrades to such facilities and equipment necessary to physically and electrically interconnect the Generating Facility, Class Year Transmission Project, or Cluster Study Transmission Project to the New York State Transmission System or Distribution System. Interconnection Customer's Attachment Facilities are sole use facilities. For purposes of applying the requirements in this Agreement, Interconnection Customer's Attachment Facilities shall include facilities that were categorized as Developer's Attachment Facilities under the NYISO's Standard Large Facility Interconnection Procedures or Interconnection Customer's Interconnection Facilities under the NYISO's Small Generator Interconnection Procedures.

Interconnection Request shall mean Interconnection Customer's request, in the form of Appendix 1 to the Standard Interconnection Procedures in Attachment HH to the ISO OATT or Appendix 1 to the Standard Large Facility Interconnection Procedures in Attachment X to the ISO OATT, in accordance with the ISO OATT, to interconnect a new Facility, Class Year Transmission Project, or Cluster Study Transmission Project to the New York State Transmission System or to the Distribution System, or to materially increase the capacity of, or make a material modification to the operating characteristics of, an existing Generating Facility, Class Year Transmission Project, or Cluster Study Transmission Project that is interconnected with the New York State Transmission System or with the Distribution System. For purposes of the Interconnection Request, a facility comprised of multiple Generators behind the same Point of Interconnection may be considered a single Generating Facility, provided the Interconnection Request identifies a single Interconnection Customer.

IRS shall mean the Internal Revenue Service.

ISO 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.

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

Material Modification shall mean those modifications that have a material adverse impact on the cost or timing of any Interconnection Request with an equal or later Queue Position.

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

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

Notice of Dispute shall mean a written notice of a dispute or claim pursuant to Article 27.1 of this Agreement that arises out of or in connection with this Agreement or its performance.

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

NYISO Tariffs shall mean the ISO OATT and ISO Services Tariff.

NYSRC shall mean the New York State Reliability Council or its successor organization.

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

Point of Change of Ownership shall mean the point where the Interconnection Customer's Attachment Facilities connect to the Connecting Transmission Owner's Attachment Facilities. The Point of Change of Ownership is set forth in Appendix A to this Agreement.

Point of Interconnection shall mean the point where the Attachment Facilities connect to the New York State Transmission System or to the Distribution System. The Point of Interconnection is set forth in Appendix A to this Agreement.

Provisional Interconnection Service shall mean interconnection service provided by the NYISO associated with interconnecting the Interconnection Customer's Facility to the New York State Transmission System (or Distribution System as applicable) and enabling the transmission system to receive electric energy from the Facility at the Point of Interconnection, pursuant to the terms of the Provisional Standard Interconnection Agreement and, if applicable, the ISO OATT.

Provisional Standard Interconnection Agreement shall mean the interconnection agreement for Provisional Interconnection Service established between the NYISO, Connecting Transmission Owner(s), and the Interconnection Customer. This agreement shall take the form of the Standard Interconnection Agreement, modified for provisional purposes and type of facility.

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

Retired: A Generator that has permanently ceased operating on or after May 1, 2015 either: i) pursuant to applicable notice; or ii) as a result of the expiration of its Mothball Outage or its ICAP Ineligible Forced Outage.

Stand Alone System Upgrade Facilities shall mean System Upgrade Facilities that are not part of an Affected System that an Interconnection Customer may construct without affecting day-to-day operations of the New York State Transmission System during their construction and the following conditions are met: (1) a Local System Upgrade Facility must only be required for a single Interconnection Customer in the Cluster and no other Interconnection Customer in that Cluster is required to interconnect to the same Local System Upgrade Facility, and (2) a System Upgrade Facility must only be required for a single Interconnection Customer in the Cluster. The ISO, the Connecting Transmission Owner, and the Interconnection Customer must agree as to what constitutes Stand Alone System Upgrade Facilities and identify them in Appendix A to the Standard Interconnection Agreement. If the ISO, the Connecting Transmission Owner, and the Interconnection Customer disagree about whether a particular System Upgrade Facility is a Stand Alone System Upgrade Facility, the ISO and the Connecting Transmission Owner must provide the Interconnection Customer a written technical explanation outlining why the ISO and the Connecting Transmission Owner do not consider the System Upgrade Facility to be a Stand Alone System Upgrade Facility within fifteen (15) Calendar Days of its determination.

Standard Interconnection Agreement (“IA”) shall mean this agreement, which is the form of interconnection agreement applicable to an Interconnection Request pertaining to a Generating Facility, Class Year Transmission Project, or Cluster Study Transmission Project, that is included in Attachment HH of the ISO OATT.

Standard Interconnection Procedures (“Interconnection Procedures” or “SIP”) shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Generating Facility or Cluster Study Transmission Project that are included in this Attachment HH of the ISO OATT.

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

Standard Upgrade Construction Agreement shall mean the agreement contained in Appendix 16 to Attachment HH that is made, as applicable, among: (i) the ISO, (ii) the Affected System Operator or Affected Transmission Owner, and (iii) the Interconnection Customer or Affected System Interconnection Customer to facilitate the construction of and to set forth cost responsibility for necessary System Upgrades Facilities, System Deliverability Upgrades, or Affected System Network Upgrades on the New York State Transmission System or Distribution System.

Standard Multiparty Upgrade Construction Agreement shall mean the agreement contained in Appendix 17 to Attachment HH that is made, as applicable, among (i) the ISO, (ii) the Affected System Operator or Affected Transmission Owner, and (iii) multiple Interconnection Customers or Affected System Interconnection Customers to facilitate the construction of and to set forth cost responsibility for necessary System Upgrade Facilities, System Deliverability Upgrades, or Affected System Network Upgrades on the New York State Transmission System or Distribution System.

Synchronization Date shall mean the date upon which the Generating Facility, Class Year Transmission Project, or Cluster Study Transmission Project is initially synchronized and upon which Trial Operation begins, notice of which must be provided by the Interconnection Customer to the NYISO and Connecting Transmission Owner in the form provided in Appendix E-1. Synchronization Date shall include the term Initial Synchronization Date as that term is used in Attachments S, X, and Z to the ISO OATT.

System Deliverability Upgrades shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with Good Utility Practice and Applicable Reliability Requirements, to make the modifications or additions to Byways and Highways and Other Interfaces on the existing New York State Transmission System and Distribution System that are required for the proposed project to connect reliably to the system in a manner that meets the NYISO Deliverability Interconnection Standard at the requested level of Capacity Resource Interconnection Service.

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 Facility and (2) protect the 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.

System Upgrade Facilities shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with Good Utility Practice and Applicable Reliability Requirements, to make the modifications to the existing transmission system that are required to maintain system reliability due to: (i) changes in the system, including such changes as load growth and changes in load pattern, to be addressed in the form of generic generation or transmission projects in accordance with Section [40.9.5.1] of Attachment HH to the ISO OATT; and (ii) proposed interconnections. In the case of proposed interconnection projects, System Upgrade Facilities are the modifications or additions to the existing New York State Transmission System that are required for the proposed project to connect reliably to the system in a manner that meets the NYISO Minimum Interconnection Standard.

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

ARTICLE 2. EFFECTIVE DATE, TERM AND TERMINATION

2.1 Effective Date.

This Agreement shall become effective upon execution by the Parties, subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC. The NYISO and Connecting Transmission Owner shall promptly file this Agreement with FERC upon execution in accordance with Article 3.

2.2 Term of Agreement.

Subject to the provisions of Article 2.3, this Agreement shall remain in effect for a period of *[ten (10) years from the Effective Date or such other longer period as the Interconnection Customer may request (Term to be Specified in Individual Agreements)]* and shall be automatically renewed for each successive one-year period thereafter.

2.3 Termination.

2.3.1 Written Notice.

This Agreement may be terminated:

(i) by the Interconnection Customer after giving the NYISO and Connecting Transmission Owner ninety (90) Calendar Days advance written notice; or

(ii) by the NYISO and Connecting Transmission Owner by providing written notice to Interconnection Customer after, as applicable, the Generating Facility is Retired or the Class Year Transmission Project or Cluster Study Transmission Project permanently ceases Commercial Operation.

2.3.2 Default.

Any Party may terminate this Agreement in accordance with Article 17.

2.3.3 Compliance.

Notwithstanding Articles 2.3.1 and 2.3.2, no termination of this Agreement shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, including the filing with FERC of a notice of termination of this Agreement, which notice has been accepted for filing by FERC.

2.4 Termination Costs.

If a Party elects to terminate this Agreement pursuant to Article 2.3.1 above, the terminating Party shall pay all costs incurred (including any cancellation costs relating to orders or contracts for Attachment Facilities and equipment) or charges assessed by the other Parties, as of the date of the other Parties' receipt of such notice of termination, that are the responsibility of the terminating Party under this Agreement. In the event of termination by a Party, all Parties

shall use commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this Agreement, unless otherwise ordered or approved by FERC:

2.4.1 With respect to any portion of the Connecting Transmission Owner's Attachment Facilities that have not yet been constructed or installed, the Connecting Transmission Owner shall to the extent possible and with Interconnection Customer's authorization cancel any pending orders of, or return, any materials or equipment for, or contracts for construction of, such facilities; provided that in the event Interconnection Customer elects not to authorize such cancellation, Interconnection Customer shall assume all payment obligations with respect to such materials, equipment, and contracts, and the Connecting Transmission Owner shall deliver such material and equipment, and, if necessary, assign such contracts, to Interconnection Customer as soon as practicable, at Interconnection Customer's expense. To the extent that Interconnection Customer has already paid Connecting Transmission Owner for any or all such costs of materials or equipment not taken by Interconnection Customer, Connecting Transmission Owner shall promptly refund such amounts to Interconnection Customer, less any costs, including penalties incurred by the Connecting Transmission Owner to cancel any pending orders of or return such materials, equipment, or contracts.

If Interconnection Customer terminates this Agreement, it shall be responsible for all costs incurred in association with Interconnection Customer's interconnection, including any cancellation costs relating to orders or contracts for Attachment Facilities and equipment, and other expenses including any System Upgrade Facilities and System Deliverability Upgrades for which the Connecting Transmission Owner has incurred expenses and has not been reimbursed by the Interconnection Customer.

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

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

2.5 Disconnection.

Upon termination of this Agreement, Interconnection Customer and Connecting Transmission Owner will take all appropriate steps to disconnect the Interconnection Customer's Facility from the New York State Transmission System or Distribution System. All costs required to effectuate such disconnection shall be borne by the terminating Party, unless such termination resulted from the non-terminating Party's Default of this Agreement or such non-terminating Party otherwise is responsible for these costs under this Agreement.

2.6 Survival.

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

ARTICLE 3. REGULATORY FILINGS

NYISO and Connecting Transmission Owner shall file this Agreement (and any amendment hereto) with the appropriate Governmental Authority, if required. Any information related to studies for interconnection asserted by Interconnection Customer to contain Confidential Information shall be treated in accordance with Article 22 of this Agreement and Attachment F to the ISO OATT. If the Interconnection Customer has executed this Agreement, or any amendment thereto, Interconnection Customer shall reasonably cooperate with NYISO and Connecting Transmission Owner with respect to such filing and to provide any information reasonably requested by NYISO and Connecting Transmission Owner needed to comply with Applicable Laws and Regulations.

ARTICLE 4. SCOPE OF INTERCONNECTION SERVICE

4.1 Provision of Service.

NYISO will provide Interconnection Customer with interconnection service of the following type for the term of this Agreement.

4.1.1 Product.

Subject to Article [4.1.2,] NYISO will provide []
Interconnection Service to Interconnection Customer at the Point of Interconnection.

4.1.2 Execution of Agreement Prior to Completion of Class Year Study or Cluster Study.

If the Agreement, including a Provisional Standard Interconnection Agreement, is executed prior to the completion of, as applicable, the Class Year Study or Cluster Study for the Facility, Interconnection Customer shall, as applicable: (i) in the Class Year Study decision process accept the Project Cost Allocation and post Security for any System Upgrade Facilities that are identified for the Facility and cost allocated in the Class Year Study, or (ii) in the Cluster Study decision process accept the Project Cost Allocation and post Security for any Connecting Transmission Owner's Attachment Facilities and System Upgrade Facilities that are identified for the Facility and cost allocated in the Cluster Study. Interconnection Customer must accept such cost allocation and post the required Security even if the Project Cost Allocation exceeds

the estimate included in this Agreement and includes equipment not identified in the Agreement. Unless Interconnection Customer otherwise obtains CRIS in accordance with the requirements in Attachments S or HH to the OATT, Interconnection Customer cannot participate as an Installed Capacity Supplier until after, as applicable, the Class Year Study or Cluster Study is completed and (1) the project is deemed deliverable and Interconnection Customer accepts its Deliverable MWs, or (2) the Interconnection Customer accepts its Project Cost Allocation and posts Security for any required System Deliverability Upgrades. If the upgrades or cost estimates identified in the Class Year Study or Cluster Study or otherwise determined in accordance with Attachments S or HH differ from the amounts and description in this Agreement, the Parties shall amend the Agreement, pursuant to Articles 29.11 and 29.12 of this Agreement, to reflect the results of, as applicable, the Class Year Study or Cluster Study.

4.1.3 Interconnection Customer is responsible for ensuring that its actual Facility output matches the scheduled delivery from the Facility to the New York State Transmission System, consistent with the scheduling requirements of the NYISO's FERC-approved market structure, including ramping into and out of such scheduled delivery, as measured at the Point of Interconnection, consistent with the scheduling requirements of the ISO OATT and any applicable FERC-approved market structure.

4.2 No Transmission Delivery Service.

The execution of this Agreement does not constitute a request for, nor agreement to provide, any Transmission Service under the ISO OATT, and does not convey any right to deliver electricity to any specific customer or Point of Delivery. If Interconnection Customer wishes to obtain Transmission Service on the New York State Transmission System, then Interconnection Customer must request such Transmission Service in accordance with the provisions of the ISO OATT.

4.3 No Other Services.

The execution of this Agreement does not constitute a request for, nor agreement to provide Energy, any Ancillary Services or Installed Capacity under the ISO Services Tariff. If Interconnection Customer wishes to supply Energy, Installed Capacity or Ancillary Services, then Interconnection Customer will make application to do so in accordance with the ISO Services Tariff.

ARTICLE 5. INTERCONNECTION FACILITIES ENGINEERING, PROCUREMENT, AND CONSTRUCTION

5.1 Options.

Unless otherwise mutually agreed to by Interconnection Customer and Connecting Transmission Owner, Interconnection Customer shall select the Initial Feedback Date, Synchronization Date, and Commercial Operation Date; and either the Standard Option or Alternate Option set forth below, and such dates and selected option shall be set forth in Appendix B hereto. At the same time, Interconnection Customer shall indicate whether it elects to exercise the Option to Build set forth in Article 5.1.3 below. If the dates designated by Interconnection Customer are not acceptable to the Connecting Transmission Owner, the

Connecting Transmission Owner shall so notify Interconnection Customer within thirty (30) Calendar Days. Upon receipt of the notification that Interconnection Customer's designated dates are not acceptable to the Connecting Transmission Owner, Interconnection Customer shall notify the Connecting Transmission Owner within thirty (30) Calendar Days whether it elects to exercise the Option to Build if it has not already elected to exercise the Option to Build.

5.1.1 Standard Option.

The Connecting Transmission Owner shall design, procure, and construct the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities and System Deliverability Upgrades, using Reasonable Efforts to complete the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities and System Deliverability Upgrades by the dates set forth in Appendix B hereto. The Connecting Transmission Owner shall not be required to undertake any action which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, and Applicable Laws and Regulations. In the event the Connecting Transmission Owner reasonably expects that it will not be able to complete the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities and System Deliverability Upgrades by the specified dates, the Connecting Transmission Owner shall promptly provide written notice to Interconnection Customer and NYISO, and shall undertake Reasonable Efforts to meet the earliest dates thereafter.

5.1.2 Alternate Option.

If the dates designated by Interconnection Customer are acceptable to Connecting Transmission Owner, the Connecting Transmission Owner shall so notify Interconnection Customer and NYISO within thirty (30) Calendar Days, and shall assume responsibility for the design, procurement and construction of the Connecting Transmission Owner's Attachment Facilities by the designated dates. If Connecting Transmission Owner subsequently fails to complete Connecting Transmission Owner's Attachment Facilities by the Initial Feedback Date, to the extent necessary to provide back feed power; or fails to complete System Upgrade Facilities or System Deliverability Upgrades by the Synchronization Date to the extent necessary to allow for Trial Operation at full power output, unless other arrangements are made by Interconnection Customer and Connecting Transmission Owner for such Trial Operation; or fails to complete the System Upgrade Facilities and System Deliverability Upgrades by the Commercial Operation Date, as such dates are reflected in Appendix B hereto; Connecting Transmission Owner shall pay Interconnection Customer liquidated damages in accordance with Article 5.3, Liquidated Damages, *provided, however*, the dates designated by Interconnection Customer shall be extended day for day for each day that NYISO refuses to grant clearances to install equipment.

5.1.3 Option to Build.

Interconnection Customer shall have the option to assume responsibility for the design, procurement and construction of Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities on the dates specified in Article 5.1.2; provided that if an Attachment Facility or Stand Alone System Upgrade Facility is needed for more than one

Interconnection Customer's project, Interconnection Customer's option to build such facility shall be contingent on the agreement of all other affected Interconnection Customers. NYISO, Connecting Transmission Owner and Interconnection Customer must agree as to what constitutes Stand Alone System Upgrade Facilities and identify such Stand Alone System Upgrade Facilities in Appendix A hereto. Except for Stand Alone System Upgrade Facilities, Interconnection Customer shall have no right to construct System Upgrade Facilities or System Deliverability Upgrades under this option.

5.1.4 Negotiated Option.

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

5.2 General Conditions Applicable to Option to Build.

If Interconnection Customer assumes responsibility for the design, procurement and construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities, the following conditions apply:

5.2.1 Interconnection Customer shall engineer, procure equipment, and construct the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by the Connecting Transmission Owner;

5.2.2 Interconnection Customer's engineering, procurement and construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities shall comply with all requirements of law to which Connecting Transmission Owner would be subject in the engineering, procurement or construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities;

5.2.3 Connecting Transmission Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities;

5.2.4 Prior to the commencement of construction, Interconnection Customer shall provide to Connecting Transmission Owner and NYISO a schedule for construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System

Upgrade Facilities, and shall promptly respond to requests for information from Connecting Transmission Owner or NYISO;

5.2.5 At any time during construction, Connecting Transmission Owner shall have the right to gain unrestricted access to the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities and to conduct inspections of the same;

5.2.6 At any time during construction, should any phase of the engineering, equipment procurement, or construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities not meet the standards and specifications provided by Connecting Transmission Owner, Interconnection Customer shall be obligated to remedy deficiencies in that portion of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities;

5.2.7 Interconnection Customer shall indemnify Connecting Transmission Owner and NYISO for claims arising from Interconnection Customer's construction of Connecting Transmission Owner's Attachment Facilities, Stand Alone System Upgrade Facilities under procedures applicable to Article 18.1 Indemnity;

5.2.8 Interconnection Customer shall transfer control of Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities to the Connecting Transmission Owner;

5.2.9 Unless Interconnection Customer and Connecting Transmission Owner otherwise agree, Interconnection Customer shall transfer ownership of Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities to Connecting Transmission Owner;

5.2.10 Connecting Transmission Owner shall approve and accept for operation and maintenance the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities to the extent engineered, procured, and constructed in accordance with this Article 5.2;

5.2.11 Interconnection Customer shall deliver to NYISO and Connecting Transmission Owner "as built" drawings, information, and any other documents that are reasonably required by NYISO or Connecting Transmission Owner to assure that the Attachment Facilities and Stand Alone System Upgrade Facilities are built to the standards and specifications required by Connecting Transmission Owner; and

5.2.12 If Interconnection Customer exercises the Option to Build pursuant to Article 5.1.3 , Interconnection Customer shall pay the Connecting Transmission Owner the agreed upon amount of [\$ PLACEHOLDER] for the Connecting Transmission Owner to execute the responsibilities enumerated to Connecting Transmission Owner under Article 5.2. The Connecting Transmission Owner shall invoice Interconnection Customer for this total amount to be divided on a monthly basis pursuant to Article 12.

5.3 Liquidated Damages.

The actual damages to Interconnection Customer, in the event the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities or System Deliverability Upgrades are not completed by the dates designated by Interconnection Customer and accepted by the Connecting Transmission Owner pursuant to subparagraphs 5.1.2 or 5.1.4, above, may include Interconnection Customer's fixed operation and maintenance costs and lost opportunity costs. Such actual damages are uncertain and impossible to determine at this time. Because of such uncertainty, any liquidated damages paid by the Connecting Transmission Owner to Interconnection Customer in the event that Connecting Transmission Owner does not complete any portion of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities or System Deliverability Upgrades by the applicable dates, shall be an amount equal to 1/2 of 1 percent per day of the actual cost of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities and System Deliverability Upgrades, in the aggregate, for which Connecting Transmission Owner has assumed responsibility to design, procure and construct.

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

Further, Connecting Transmission Owner shall not pay liquidated damages to Interconnection Customer if: (1) Interconnection Customer is not ready to commence use of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities or System Deliverability Upgrades to take the delivery of power for the Interconnection Customer's Facility's Trial Operation or to export power from Interconnection Customer's Facility on the specified dates, unless Interconnection Customer would have been able to commence use of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities or System Deliverability Upgrades to take the delivery of power for Interconnection Customer's Facility's Trial Operation or to export power from the Interconnection Customer's Facility, but for Connecting Transmission Owner's delay; (2) the Connecting Transmission Owner's failure to meet the specified dates is the result of the action or inaction of Interconnection Customer or any other Interconnection Customer who has entered into an interconnection agreement with the Connecting Transmission Owner and NYISO, or action or inaction by any other Party, or any other cause beyond Connecting Transmission Owner's reasonable control or reasonable ability to cure; (3) Interconnection Customer has assumed responsibility for the design, procurement and construction of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities; or (4) the Connecting Transmission Owner and Interconnection Customer have otherwise agreed. In no event shall NYISO have any liability whatever to Interconnection Customer for liquidated damages associated with the engineering, procurement

or construction of Attachment Facilities, System Upgrade Facilities or System Deliverability Upgrades.

5.4 Power System Stabilizers.

Interconnection Customer shall procure, install, maintain and operate Power System Stabilizers in accordance with the requirements identified in the Class Year Study or Cluster Study conducted for Interconnection Customer's Facility. NYISO and Connecting Transmission Owner reserve the right to reasonably establish minimum acceptable settings for any installed Power System Stabilizers, subject to the design and operating limitations of the Facility. If the Facility's Power System Stabilizers are removed from service or not capable of automatic operation, Interconnection Customer shall immediately notify the Connecting Transmission Owner and NYISO.

5.5 Design and Equipment Procurement.

If responsibility for construction of the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, or System Deliverability Upgrades is to be borne by the Connecting Transmission Owner, then the Connecting Transmission Owner shall commence design of the applicable facilities for which it is responsible and procure necessary equipment as soon as practicable after all of the following conditions are satisfied, unless Interconnection Customer and Connecting Transmission Owner otherwise agree in writing:

5.5.1 NYISO and Connecting Transmission Owner have completed the Class Year Study or Cluster Study;

5.5.2 The NYISO has completed the required cost allocation analyses, and Interconnection Customer has accepted its Project Cost Allocation for, as applicable, the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades required for the Facility in accordance with the provisions of Attachment S or HH of the ISO OATT;

5.5.3 The Connecting Transmission Owner has received written authorization to proceed with design and procurement from Interconnection Customer by the date specified in Appendix B hereto; and

5.5.4 Interconnection Customer has provided security to the Connecting Transmission Owner for the design and procurement of the applicable facilities in accordance with Article 11.5 by the date(s) specified in Appendix B hereto.

5.6 Construction Commencement.

The Connecting Transmission Owner shall commence construction of the Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and System Deliverability Upgrades for which it is responsible as soon as practicable after the following additional conditions are satisfied:

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

5.6.2 Necessary real property rights and rights-of-way have been obtained, to the extent required for the construction of a discrete aspect of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and System Deliverability Upgrades;

5.6.3 The Connecting Transmission Owner has received written authorization to proceed with construction from Interconnection Customer by the date specified in Appendix B hereto; and

5.6.4 Interconnection Customer has provided security to the Connecting Transmission Owner for the construction of the applicable facilities in accordance with Article 11.5 by the date(s) specified in Appendix B hereto.

5.7 Work Progress.

Interconnection Customer and Connecting Transmission Owner will keep each other, and NYISO, advised periodically as to the progress of their respective design, procurement and construction efforts. Any Party may, at any time, request a progress report from Interconnection Customer or Connecting Transmission Owner. If, at any time, Interconnection Customer determines that the completion of the Connecting Transmission Owner's Attachment Facilities will not be required until after the specified Initial Feedback Date, Interconnection Customer will provide written notice to the Connecting Transmission Owner and NYISO of such later date upon which the completion of the Connecting Transmission Owner's Attachment Facilities will be required.

5.8 Information Exchange.

As soon as reasonably practicable after the Effective Date, Interconnection Customer and Connecting Transmission Owner shall exchange information, and provide NYISO the same information, regarding the design and compatibility of their respective Attachment Facilities and compatibility of the Attachment Facilities with the New York State Transmission System, and shall work diligently and in good faith to make any necessary design changes.

5.9 Other Interconnection Options

5.9.1 Limited Operation.

If any of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, or System Deliverability Upgrades are not reasonably expected to be completed prior to the Commercial Operation Date of Interconnection Customer's Facility, NYISO shall, upon the request and at the expense of Interconnection Customer, in conjunction with the Connecting Transmission Owner, perform operating studies on a timely basis to determine the extent to which Interconnection Customer's Facility and the Interconnection Customer's Attachment Facilities may operate prior to the completion of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, or System Deliverability Upgrades consistent with Applicable Laws and Regulations, Applicable Reliability Requirements, Good Utility

Practice, and this Agreement. Connecting Transmission Owner and NYISO shall permit Interconnection Customer to operate Interconnection Customer's Facility and Interconnection Customer's Attachment Facilities in accordance with the results of such studies.

5.9.2 Provisional Interconnection Service.

Prior to: (i) Interconnection Customer's eligibility under the Standard Large Facility Interconnection Procedures or Standard Interconnection Procedures pursuant to which it may enter into an interconnection agreement before the completion of the Class Year Study or Cluster Study and (ii) the completion of requisite Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, System Distribution Upgrades, or System Protection Facilities, Interconnection Customer may request an evaluation for Provisional Interconnection Service. NYISO, in conjunction with the Connecting Transmission Owner, shall determine, through available studies or additional studies as necessary, whether stability, short circuit, thermal, and/or voltage issues would arise if Interconnection Customer interconnects without modifications to the Facility or the New York State Transmission System (or Distribution System as applicable). NYISO, in conjunction with the Connecting Transmission Owner, shall determine whether any Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, System Deliverability Upgrades, or System Protection Facilities, which are necessary to meet Applicable Laws and Regulations, Applicable Reliability Requirements, and Good Utility Practice, are in place prior to the commencement of interconnection service from the Facility. Where available studies indicate that the Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, System Deliverability Upgrades, or System Protection Facilities are required for the interconnection of a new, modified and/or expanded Facility but such facilities are not currently in place, NYISO, in conjunction with the Connecting Transmission Owner, will perform a study, at Interconnection Customer's expense, to confirm the facilities that are required for Provisional Interconnection Service. The maximum permissible output of the Facility in the Provisional Standard Interconnection Agreement shall be studied, at the Interconnection Customer's expense, and updated annually. The NYISO shall issue the study's findings in writing to Interconnection Customer and Connecting Transmission Owner(s). Following a determination by NYISO, in conjunction with the Connecting Transmission Owner, that Interconnection Customer may reliably provide Provisional Interconnection Service, NYISO shall tender to Interconnection Customer and Connecting Transmission Owner, a Provisional Standard Interconnection Agreement. NYISO, Interconnection Customer, and Connecting Transmission Owner may execute the Provisional Standard Interconnection Agreement, or Interconnection Customer may request the filing of an unexecuted Provisional Standard Interconnection Agreement with the Commission. Interconnection Customer shall assume all risk and liabilities with respect to changes between the Provisional Standard Interconnection Agreement and the Standard Interconnection Agreement, including changes in output limits and the cost responsibilities for the Attachment Facilities, System Upgrade Facilities, System Deliverability Upgrades, and/or System Protection Facilities.

5.10 Interconnection Customer's Attachment Facilities ("ICAF").

Interconnection Customer shall, at its expense, design, procure, construct, own and install the DAF, as set forth in Appendix A hereto.

5.10.1 ICAF Specifications.

5.10.1 ICAF Specifications.

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

5.10.2 No Warranty.

The review of Interconnection Customer's final specifications by Connecting Transmission Owner and NYISO shall not be construed as confirming, endorsing, or providing a warranty as to the design, fitness, safety, durability or reliability of the Facility or the ICAF. Interconnection Customer shall make such changes to the ICAF as may reasonably be required by Connecting Transmission Owner or NYISO, in accordance with Good Utility Practice, to ensure that the ICAF are compatible with the technical specifications, operational control, and safety requirements of the Connecting Transmission Owner and NYISO.

5.10.3 ICAF Construction.

The DAF shall be designed and constructed in accordance with Good Utility Practice. Within one hundred twenty (120) Calendar Days after the Commercial Operation Date, unless Interconnection Customer and Connecting Transmission Owner agree on another mutually acceptable deadline, Interconnection Customer shall deliver to the Connecting Transmission Owner and NYISO "as-built" drawings, information and documents for the ICAF, such as: a one-line diagram, a site plan showing the Facility and the ICAF, plan and elevation drawings showing the layout of the ICAF, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay settings for all facilities associated with Interconnection Customer's step-up transformers, the facilities connecting the Facility to the step-up transformers and the ICAF, and the impedances (determined by factory tests) for the associated step-up transformers and the Facility. Interconnection Customer shall provide to, and coordinate with, Connecting Transmission Owner and NYISO with respect to proposed specifications for the excitation system, automatic voltage regulator, Facility control and protection settings, transformer tap settings, and communications, if applicable.

5.11 Connecting Transmission Owner's Attachment Facilities Construction.

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

relay diagrams, information and documents for the Connecting Transmission Owner's Attachment Facilities set forth in Appendix A.

The Connecting Transmission Owner [shall/shall not] transfer operational control of the Connecting Transmission Owner's Attachment Facilities and Stand Alone System Upgrade Facilities to the NYISO upon completion of such facilities.

5.12 Access Rights.

Upon reasonable notice and supervision by the Granting Party, and subject to any required or necessary regulatory approvals, either the Connecting Transmission Owner or Interconnection Customer ("Granting Party") shall furnish to the other of those two Parties ("Access Party") at no cost any rights of use, licenses, rights of way and easements with respect to lands owned or controlled by the Granting Party, its agents (if allowed under the applicable agency agreement), or any Affiliate, that are necessary to enable the Access Party to obtain the ingress and egress required to construct, operate, maintain, repair, test (or witness testing), inspect, replace or remove facilities and equipment to: (i) interconnect the Facility with the New York State Transmission System or Distribution System; (ii) operate and maintain the Facility, the Attachment Facilities, and the New York State Transmission System; and (iii) disconnect or remove the Access Party's facilities and equipment upon termination of this Agreement. In exercising such licenses, rights of way and easements, the Access Party shall not unreasonably disrupt or interfere with normal operation of the Granting Party's business and shall adhere to the safety rules and procedures established in advance, as may be changed from time to time, by the Granting Party and provided to the Access Party. The Access Party shall indemnify the Granting Party against all claims of injury or damage from third parties resulting from the exercise of the access rights provided for herein.

5.13 Lands of Other Property Owners.

If any part of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and/or System Deliverability Upgrades is to be installed on property owned by persons other than Interconnection Customer or Connecting Transmission Owner, the Connecting Transmission Owner shall at Interconnection Customer's expense use efforts, similar in nature and extent to those that it typically undertakes for its own or affiliated generation, including use of its eminent domain authority, and to the extent consistent with state law, to procure from such persons any rights of use, licenses, rights of way and easements that are necessary to construct, operate, maintain, test, inspect, replace or remove the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and/or System Deliverability Upgrades upon such property.

5.14 Permits.

NYISO, Connecting Transmission Owner, and Interconnection Customer shall cooperate with each other in good faith in obtaining all permits, licenses and authorizations that are necessary to accomplish the interconnection in compliance with Applicable Laws and Regulations. With respect to this paragraph, Connecting Transmission Owner shall provide permitting assistance to Interconnection Customer comparable to that provided to the Connecting

Transmission Owner's own, or an Affiliate's generation or transmission facilities, if any.

5.15 Early Construction of Base Case Facilities.

Interconnection Customer may request Connecting Transmission Owner to construct, and Connecting Transmission Owner shall construct, subject to a binding cost allocation agreement reached in accordance with Attachment S or HH to the ISO OATT, including Section 25.8.7 or 40.17 thereof, using Reasonable Efforts to accommodate Interconnection Customer's Initial Feedback Date, all or any portion of any System Upgrade Facilities or System Deliverability Upgrades required for Interconnection Customer to be interconnected to the New York State Transmission System which are included in the Base Case of the Class Year Study or Cluster Study for Interconnection Customer, and which also are required to be constructed for another Interconnection Customer, but where such construction is not scheduled to be completed in time to achieve Interconnection Customer's Initial Feedback Date.

5.16 Suspension.

Interconnection Customer reserves the right, upon written notice to Connecting Transmission Owner and NYISO, to suspend at any time all work by Connecting Transmission Owner or Interconnection Customer, as applicable, associated with the construction and installation of Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and/or System Deliverability Upgrades required for only that Interconnection Customer under this Agreement with the condition that the New York State Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and the safety and reliability criteria of Connecting Transmission Owner and NYISO. In such event, Interconnection Customer shall be responsible for all reasonable and necessary costs and/or obligations in accordance with Attachment HH to the OATT including those which Connecting Transmission Owner (i) has incurred pursuant to this Agreement prior to the suspension and (ii) incurs as a result of the suspension of such work, including any costs incurred by the Connecting Transmission Owner to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the New York State Transmission System during such suspension and, if cancellation or suspension of material, equipment, and labor contracts which Connecting Transmission Owner cannot reasonably avoid; *provided, however*, that prior to canceling or suspending any such material, equipment, or labor contract, Connecting Transmission Owner shall obtain Interconnection Customer's authorization to do so. Interconnection Customer's election to suspend work pursuant to this Article 5.16 shall not toll the time period by which an Interconnection Customer may extend the Commercial Operation Date for the Facility without such extension being a Material Modification pursuant to Attachment HH to the OATT.

Connecting Transmission Owner shall invoice Interconnection Customer for such costs pursuant to Article 12 and shall use due diligence to minimize its costs. If: (i) pursuant to this Article 5.16, Interconnection Customer suspends work associated with the construction and installation of Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and/or System Deliverability Upgrades that is required under this Agreement, and (ii) Interconnection Customer has, as applicable, either not recommenced work or requested Connecting Transmission Owner to recommence its work required under this Agreement on or

before the expiration of three (3) years following commencement of such suspension, this Agreement shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or the date of the written notice to Connecting Transmission Owner and NYISO, if no effective date is specified.

5.17 Taxes.

If the Facility is a Class Year Transmission Project or a Cluster Study Transmission Project, Appendix C to this Agreement shall include any project-specific variations from the tax requirements established in this Article 5.17 that are appropriate for the transmission facility.

5.17.1 Interconnection Customer Payments Not Taxable.

Interconnection Customer and Connecting Transmission Owner intend that all payments or property transfers made by Interconnection Customer to Connecting Transmission Owner for the installation of the Connecting Transmission Owner's Attachment Facilities and the System Upgrade Facilities and the System Deliverability Upgrades shall be non-taxable, either as contributions to capital, or as an advance, in accordance with the Internal Revenue Code and any applicable state income tax laws and shall not be taxable as contributions in aid of construction or otherwise under the Internal Revenue Code and any applicable state income tax laws.

5.17.2 Representations and Covenants.

In accordance with IRS Notice 2001-82 and IRS Notice 88-129, Interconnection Customer represents and covenants that (i) ownership of the electricity generated at the Generating Facility will pass to another party prior to the transmission of the electricity on the New York State Transmission System, (ii) for income tax purposes, the amount of any payments and the cost of any property transferred to the Connecting Transmission Owner for the Connecting Transmission Owner's Attachment Facilities will be capitalized by Interconnection Customer as an intangible asset and recovered using the straight-line method over a useful life of twenty (20) years, and (iii) any portion of the Connecting Transmission Owner's Attachment Facilities that is a "dual-use intertie," within the meaning of IRS Notice 88-129, is reasonably expected to carry only a de minimis amount of electricity in the direction of the Generating Facility. For this purpose, "de minimis amount" means no more than 5 percent of the total power flows in both directions, calculated in accordance with the "5 percent test" set forth in IRS Notice 88-129. This is not intended to be an exclusive list of the relevant conditions that must be met to conform to IRS requirements for non-taxable treatment.

At Connecting Transmission Owner's request, Interconnection Customer shall provide Connecting Transmission Owner with a report from an independent engineer confirming its representation in clause (iii), above. Connecting Transmission Owner represents and covenants that the cost of the Connecting Transmission Owner's Attachment Facilities paid for by Interconnection Customer will have no net effect on the base upon which rates are determined.

5.17.3 Indemnification for the Cost Consequences of Current Tax Liability

Imposed Upon the Connecting Transmission Owner.

Notwithstanding Article 5.17.1, Interconnection Customer shall protect, indemnify and hold harmless Connecting Transmission Owner from the cost consequences of any current tax liability imposed against Connecting Transmission Owner as the result of payments or property transfers made by Interconnection Customer to Connecting Transmission Owner under this Agreement, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Connecting Transmission Owner.

Connecting Transmission Owner shall not include a gross-up for the cost consequences of any current tax liability in the amounts it charges Interconnection Customer under this Agreement unless (i) Connecting Transmission Owner has determined, in good faith, that the payments or property transfers made by Interconnection Customer to Connecting Transmission Owner should be reported as income subject to taxation or (ii) any Governmental Authority directs Connecting Transmission Owner to report payments or property as income subject to taxation; provided, however, that Connecting Transmission Owner may require Interconnection Customer to provide security, in a form reasonably acceptable to Connecting Transmission Owner (such as a parental guarantee or a letter of credit), in an amount equal to the cost consequences of any current tax liability under this Article 5.17. Interconnection Customer shall reimburse Connecting Transmission Owner for such costs on a fully grossed-up basis, in accordance with Article 5.17.4, within thirty (30) Calendar Days of receiving written notification from Connecting Transmission Owner of the amount due, including detail about how the amount was calculated.

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

5.17.4 Tax Gross-Up Amount.

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

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

5.17.5 Private Letter Ruling or Change or Clarification of Law.

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

Connecting Transmission Owner shall keep Interconnection Customer fully informed of the status of such request for a private letter ruling and shall execute either a privacy act waiver or a limited power of attorney, in a form acceptable to the IRS, that authorizes Interconnection Customer to participate in all discussions with the IRS regarding such request for a private letter ruling. Connecting Transmission Owner shall allow Interconnection Customer to attend all meetings with IRS officials about the request and shall permit Interconnection Customer to prepare the initial drafts of any follow-up letters in connection with the request.

5.17.6 Subsequent Taxable Events.

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

5.17.7 Contests.

In the event any Governmental Authority determines that Connecting Transmission Owner's receipt of payments or property constitutes income that is subject to taxation,

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

Interconnection Customer shall pay to Connecting Transmission Owner on a periodic basis, as invoiced by Connecting Transmission Owner, Connecting Transmission Owner's documented reasonable costs of prosecuting such appeal, protest, abatement or other contest, including any costs associated with obtaining the opinion of independent tax counsel described in this Article 5.17.7. The Connecting Transmission Owner may abandon any contest if Interconnection Customer fails to provide payment to the Connecting Transmission Owner within thirty (30) Calendar Days of receiving such invoice. At any time during the contest, Connecting Transmission Owner may agree to a settlement either with Interconnection Customer's consent or after obtaining written advice from nationally-recognized tax counsel, selected by Connecting Transmission Owner, but reasonably acceptable to Interconnection Customer, that the proposed settlement represents a reasonable settlement given the hazards of litigation. Interconnection Customer's obligation shall be based on the amount of the settlement agreed to by Interconnection Customer, or if a higher amount, so much of the settlement that is supported by the written advice from nationally-recognized tax counsel selected under the terms of the preceding sentence. The settlement amount shall be calculated on a fully grossed-up basis to cover any related cost consequences of the current tax liability. The Connecting Transmission Owner may also settle any tax controversy without receiving Interconnection Customer's consent or any such written advice; however, any such settlement will relieve Interconnection Customer from any obligation to indemnify Connecting Transmission Owner for the tax at issue in the contest (unless the failure to obtain written advice is attributable to Interconnection Customer's unreasonable refusal to the appointment of independent tax counsel).

5.17.8 Refund.

In the event that (a) a private letter ruling is issued to Connecting Transmission Owner which holds that any amount paid or the value of any property transferred by Interconnection Customer to Connecting Transmission Owner under the terms of this Agreement is not subject to federal income taxation, (b) any legislative change or administrative announcement, notice, ruling or other determination makes it reasonably clear to Connecting Transmission Owner in good faith that any amount paid or the value of any property transferred by Interconnection Customer to Connecting Transmission Owner under the terms of this Agreement is not taxable to Connecting Transmission Owner, (c) any abatement, appeal, protest, or other contest results in a

determination that any payments or transfers made by Interconnection Customer to Connecting Transmission Owner are not subject to federal income tax, or (d) if Connecting Transmission Owner receives a refund from any taxing authority for any overpayment of tax attributable to any payment or property transfer made by Interconnection Customer to Connecting Transmission Owner pursuant to this Agreement, Connecting Transmission Owner shall promptly refund to Interconnection Customer the following:

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

(ii) Interest on any amounts paid by Interconnection Customer to Connecting Transmission Owner for such taxes which Connecting Transmission Owner did not submit to the taxing authority, calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. §35.19a(a)(2)(iii) from the date payment was made by Interconnection Customer to the date Connecting Transmission Owner refunds such payment to Interconnection Customer, and

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

The intent of this provision is to leave both Interconnection Customer and Connecting Transmission Owner, to the extent practicable, in the event that no taxes are due with respect to any payment for Attachment Facilities and System Upgrade Facilities and System Deliverability Upgrades hereunder, in the same position they would have been in had no such tax payments been made.

5.17.9 Taxes Other Than Income Taxes.

Upon the timely request by Interconnection Customer, and at Interconnection Customer's sole expense, Connecting Transmission Owner shall appeal, protest, seek abatement of, or otherwise contest any tax (other than federal or state income tax) asserted or assessed against Connecting Transmission Owner for which Interconnection Customer may be required to reimburse Connecting Transmission Owner under the terms of this Agreement. Interconnection Customer shall pay to Connecting Transmission Owner on a periodic basis, as invoiced by Connecting Transmission Owner, Connecting Transmission Owner's documented reasonable costs of prosecuting such appeal, protest, abatement, or other contest. Interconnection Customer and Connecting Transmission Owner shall cooperate in good faith with respect to any such contest. Unless the payment of such taxes is a prerequisite to an appeal or abatement or cannot

be deferred, no amount shall be payable by Interconnection Customer to Connecting Transmission Owner for such taxes until they are assessed by a final, non-appealable order by any court or agency of competent jurisdiction. In the event that a tax payment is withheld and ultimately due and payable after appeal, Interconnection Customer will be responsible for all taxes, interest and penalties, other than penalties attributable to any delay caused by Connecting Transmission Owner.

5.18 Tax Status; Non-Jurisdictional Entities.

5.18.1 Tax Status.

Each Party shall cooperate with the other Parties to maintain the other Parties' tax status. Nothing in this Agreement is intended to adversely affect the tax status of any Party including the status of NYISO, or the status of any Connecting Transmission Owner with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds. Notwithstanding any other provisions of this Agreement, LIPA, NYPA and Consolidated Edison Company of New York, Inc. shall not be required to comply with any provisions of this Agreement that would result in the loss of tax-exempt status of any of their Tax-Exempt Bonds or impair their ability 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.

5.18.2 Non-Jurisdictional Entities.

LIPA and NYPA do not waive their exemptions, pursuant to Section 201(f) of the FPA, from Commission jurisdiction with respect to the Commission's exercise of the FPA's general ratemaking authority.

5.19 Modification.

5.19.1 General.

Either Interconnection Customer or Connecting Transmission Owner may undertake modifications to its facilities covered by this Agreement; *provided, however*, that if Interconnection Customer seeks to undertake any modifications for the Facility, Interconnection Customer must comply with the modification requirements for Facilities, including for extensions of the Commercial Operation Date, set forth in the ISO OATT and ISO Procedures. If either Interconnection Customer or Connecting Transmission Owner plans to undertake a modification that reasonably may be expected to affect the other Party's facilities, that Party shall provide to the other Party, and to NYISO, sufficient information regarding such modification so that the other Party and NYISO may evaluate the potential impact of such modification prior to commencement of the work. Such information shall be deemed to be Confidential Information hereunder and shall include information concerning the timing of such modifications and whether such modifications are expected to interrupt the flow of electricity from the Facility. The Party desiring to perform such work shall provide the relevant drawings, plans, and specifications to the other Party and NYISO at least ninety (90) Calendar Days in

advance of the commencement of the work or such shorter period upon which the Parties may agree, which agreement shall not unreasonably be withheld, conditioned or delayed.

In the case of Facility modifications that do not require Interconnection Customer to submit an Interconnection Request, the NYISO shall provide, within sixty (60) Calendar Days (or such other time as the Parties may agree), an estimate of any additional modifications to the New York State Transmission System, Connecting Transmission Owner's Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades necessitated by such Interconnection Customer modification and a good faith estimate of the costs thereof. The Interconnection Customer shall be responsible for the cost of any such additional modifications, including the cost of studying the impact of the Developer modification.

5.19.2 Standards.

Any additions, modifications, or replacements made to a Party's facilities shall be designed, constructed and operated in accordance with this Agreement, NYISO requirements and Good Utility Practice.

5.19.3 Modification Costs.

Interconnection Customer shall not be assigned the costs of any additions, modifications, or replacements that Connecting Transmission Owner makes to the Connecting Transmission Owner's Attachment Facilities or the New York State Transmission System to facilitate the interconnection of a third party to the Connecting Transmission Owner's Attachment Facilities or the New York State Transmission System, or to provide Transmission Service to a third party under the ISO OATT, except in accordance with the cost allocation procedures in Attachment HH of the ISO OATT. Interconnection Customer shall be responsible for the costs of any additions, modifications, or replacements to the Interconnection Customer's Attachment Facilities that may be necessary to maintain or upgrade such Interconnection Customer's Attachment Facilities consistent with Applicable Laws and Regulations, Applicable Reliability Requirements or Good Utility Practice.

ARTICLE 6. TESTING AND INSPECTION

6.1 Pre-Commercial Operation Date Testing and Modifications.

Prior to the Commercial Operation Date, the Connecting Transmission Owner shall test the Connecting Transmission Owner's Attachment Facilities (including required control technologies and protection systems), System Upgrade Facilities, and System Deliverability Upgrades and Interconnection Customer shall test the Facility and the Interconnection Customer's Attachment Facilities to ensure their safe and reliable operation. Similar testing may be required after initial operation. Interconnection Customer and Connecting Transmission Owner shall each make any modifications to its facilities that are found to be necessary as a result of such testing. Interconnection Customer shall bear the cost of all such testing and modifications. Interconnection Customer shall, as applicable, generate test energy at or transit test energy over the Facility only if it has arranged for the injection of such test energy in accordance with ISO Procedures.

6.2 Post-Commercial Operation Date Testing and Modifications.

Interconnection Customer and Connecting Transmission Owner shall each at its own expense perform routine inspection and testing of its facilities and equipment in accordance with Good Utility Practice and Applicable Reliability Requirements as may be necessary to ensure the continued interconnection of the Facility with the New York State Transmission System in a safe and reliable manner. Interconnection Customer and Connecting Transmission Owner shall each have the right, upon advance written notice, to require reasonable additional testing of the other Party's facilities, at the requesting Party's expense, as may be in accordance with Good Utility Practice.

6.3 Right to Observe Testing.

Interconnection Customer and Connecting Transmission Owner shall each notify the other Party, and the NYISO, in advance of its performance of tests of its Attachment Facilities. The other Party, and the NYISO, shall each have the right, at its own expense, to observe such testing.

6.4 Right to Inspect.

Interconnection Customer and Connecting Transmission Owner shall each have the right, but shall have no obligation to: (i) observe the other Party's tests and/or inspection of any of its System Protection Facilities and other protective equipment, including Power System Stabilizers; (ii) review the settings of the other Party's System Protection Facilities and other protective equipment; and (iii) review the other Party's maintenance records relative to the Attachment Facilities, the System Protection Facilities and other protective equipment. NYISO shall have these same rights of inspection as to the facilities and equipment of Interconnection Customer and Connecting Transmission Owner. A Party may exercise these rights from time to time as it deems necessary upon reasonable notice to the other Party. The exercise or non-exercise by a Party of any such rights shall not be construed as an endorsement or confirmation of any element or condition of the Attachment Facilities or the System Protection Facilities or other protective equipment or the operation thereof, or as a warranty as to the fitness, safety, desirability, or reliability of same. Any information that a Party obtains through the exercise of any of its rights under this Article 6.4 shall be treated in accordance with Article 22 of this Agreement and Attachment F to the ISO OATT.

ARTICLE 7. METERING

7.1 General.

Interconnection Customer and Connecting Transmission Owner shall each comply with applicable requirements of NYISO and the New York Public Service Commission when exercising its rights and fulfilling its responsibilities under this Article 7. Unless otherwise agreed by the Connecting Transmission Owner and NYISO approved meter service provider and Interconnection Customer, the Connecting Transmission Owner shall install Metering Equipment at the Point of Interconnection prior to any operation of the Facility and shall own, operate, test and maintain such Metering Equipment. Net power flows including MW and MVAR, MWHR and loss profile data to and from the Facility shall be measured at the Point of Interconnection.

Connecting Transmission Owner shall provide metering quantities, in analog and/or digital form, as required, to Interconnection Customer or NYISO upon request. Where the Point of Interconnection for the Facility is other than the generator terminal, the Developer shall also provide gross MW and MVAR quantities at the generator terminal as required by NYISO. If the Facility is a Class Year Transmission Project or a Cluster Study Transmission Project, Appendix C to this Agreement shall include any project-specific variations from the metering requirements established in this Article 7 that are appropriate for the transmission facility. Interconnection Customer shall bear all reasonable documented costs associated with the purchase, installation, operation, testing and maintenance of the Metering Equipment.

7.2 Check Meters.

Interconnection Customer, at its option and expense, may install and operate, on its premises and on its side of the Point of Interconnection, one or more check meters to check Connecting Transmission Owner's meters. Such check meters shall be for check purposes only and shall not be used for the measurement of power flows for purposes of this Agreement, except as provided in Article 7.4 below. The check meters shall be subject at all reasonable times to inspection and examination by Connecting Transmission Owner or its designee. The installation, operation and maintenance thereof shall be performed entirely by Interconnection Customer in accordance with Good Utility Practice.

7.3 Standards.

Connecting Transmission Owner shall install, calibrate, and test revenue quality Metering Equipment including potential transformers and current transformers in accordance with applicable ANSI and PSC standards as detailed in the NYISO Control Center Communications Manual and in the NYISO Revenue Metering Requirements Manual.

7.4 Testing of Metering Equipment.

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

date of the last previous test of the Metering Equipment. The NYISO shall reserve the right to review all associated metering equipment installation on Interconnection Customer's or Connecting Transmission Owner's property at any time.

7.5 Metering Data.

At Interconnection Customer's expense, the metered data shall be telemetered to one or more locations designated by Connecting Transmission Owner, Interconnection Customer, and NYISO. Such telemetered data shall be used, under normal operating conditions, as the official measurement of the amount of energy delivered from the Facility to the Point of Interconnection.

ARTICLE 8. COMMUNICATIONS

8.1 Interconnection Customer Obligations.

In accordance with applicable NYISO requirements, Interconnection Customer shall maintain satisfactory operating communications with Connecting Transmission Owner and NYISO. Interconnection Customer shall provide standard voice line and dedicated voice line communications at its Facility control room or central dispatch facility through use of either the public telephone system, or a voice communications system that does not rely on the public telephone system. Interconnection Customer shall also provide the dedicated data circuit(s) necessary to provide Interconnection Customer data to Connecting Transmission Owner and NYISO as set forth in Appendix D hereto. The data circuit(s) shall extend from the Facility to the location(s) specified by Connecting Transmission Owner and NYISO. Any required maintenance of such communications equipment shall be performed by Interconnection Customer. Operational communications shall be activated and maintained under, but not be limited to, the following events: system paralleling or separation, scheduled and unscheduled shutdowns, equipment clearances, and hourly and daily load data.

8.2 Remote Terminal Unit.

Prior to the Synchronization Date of the Facility, a Remote Terminal Unit, or equivalent data collection and transfer equipment acceptable to the Parties, shall be installed by Interconnection Customer, or by Connecting Transmission Owner at Interconnection Customer's expense, to gather accumulated and instantaneous data to be telemetered to the location(s) designated by Connecting Transmission Owner and NYISO through use of a dedicated point-to-point data circuit(s) as indicated in Article 8.1. The communication protocol for the data circuit(s) shall be specified by Connecting Transmission Owner and NYISO. Instantaneous bi-directional analog real power and reactive power flow information must be telemetered directly to the location(s) specified by Connecting Transmission Owner and NYISO.

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

8.3 No Annexation.

Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed by the Party providing such equipment and the Party receiving such equipment.

ARTICLE 9. OPERATIONS

9.1 General.

Each Party shall comply with Applicable Laws and Regulations and Applicable Reliability Requirements. Each Party shall provide to the other Parties all information that may reasonably be required by the other Parties to comply with Applicable Laws and Regulations, and Applicable Reliability Requirements. If the Facility is a Class Year Transmission Project or a Cluster Study Transmission Project, Appendix C to this Agreement shall include any project-specific variations from the operating requirements established in this Article 9 that are appropriate for the transmission facility.

9.2 NYISO and Connecting Transmission Owner Obligations.

Connecting Transmission Owner and NYISO shall cause the New York State Transmission System and the Connecting Transmission Owner's Attachment Facilities to be operated, maintained and controlled in a safe and reliable manner in accordance with this Agreement and the NYISO Tariffs. Connecting Transmission Owner and NYISO may provide operating instructions to Interconnection Customer consistent with this Agreement, the NYISO Tariffs, ISO Procedures, and Connecting Transmission Owner's operating protocols and procedures, as such requirements may change from time to time. Connecting Transmission Owner and NYISO will consider changes to their respective operating protocols and procedures proposed by Interconnection Customer.

9.3 Interconnection Customer Obligations.

Interconnection Customer shall at its own expense operate, maintain, and control the Facility and the Interconnection Customer's Attachment Facilities in a safe and reliable manner and in accordance with this Agreement. Interconnection Customer shall operate the Facility and the Interconnection Customer's Attachment Facilities in accordance with any additional NYISO and Connecting Transmission Owner requirements, as such requirements are set forth or referenced in Appendix C hereto. Appendix C will be modified to reflect changes to the requirements as they may change from time to time. Any Party may request that the appropriate other Party or Parties provide copies of the requirements set forth or referenced in Appendix C hereto.

9.4 Start-Up and Synchronization.

Consistent with the mutually acceptable procedures of Interconnection Customer and Connecting Transmission Owner, Interconnection Customer is responsible for the proper synchronization of the Facility to the New York State Transmission System in accordance with

NYISO and Connecting Transmission Owner procedures and requirements.

9.5 Real and Reactive Power Control and Primary Frequency Response.

9.5.1 Power Factor Design Criteria.

9.5.1.1 Synchronous Generation. Interconnection Customer shall design the Facility to maintain effective composite power delivery at continuous rated power output at the Point of Interconnection at a power factor within the range of 0.95 leading to 0.95 lagging unless the NYISO or the Transmission Owner in whose Transmission District the Facility interconnects has established different requirements that apply to all generators in the New York Control Area or Transmission District (as applicable) on a comparable basis, in accordance with Good Utility Practice.

Interconnection Customer shall design and maintain the plant auxiliary systems to operate safely throughout the entire real and reactive power design range.

9.5.1.2 Non-Synchronous Generation. Interconnection Customer shall design the Facility to maintain composite power delivery at continuous rated power output at the high-side of the generator substation at a power factor within the range of 0.95 leading to 0.95 lagging, unless the NYISO or the Transmission Owner in whose Transmission District the Facility interconnects has established a different power factor range that applies to all non-synchronous generators in the New York Control Area or Transmission District (as applicable) on a comparable basis, in accordance with Good Utility Practice. This power factor range standard shall be dynamic and can be met using, for example, power electronics designed to supply this level of reactive capability (taking into account any limitations due to voltage level, real power output, etc.) or fixed and switched capacitors, or a combination of the two. This requirement shall only apply to newly interconnection non-synchronous generators that have not yet executed a Class Year Study Agreement or a Cluster Study Agreement as of September 21, 2016.

Interconnection Customer shall design and maintain the plant auxiliary systems to operate safely throughout the entire real and reactive power design range.

9.5.2 Voltage Schedules.

Once Interconnection Customer has synchronized the Facility with the New York State Transmission System, NYISO shall require Interconnection Customer to operate the Facility to produce or absorb reactive power within the design capability of the Facility set forth in Article 9.5.1 (Power Factor Design Criteria). NYISO's voltage schedules shall treat all sources of reactive power in the New York Control Area in an equitable and not unduly discriminatory manner. NYISO shall exercise Reasonable Efforts to provide Interconnection Customer with such schedules in accordance with ISO Procedures, and may make changes to such schedules as necessary to maintain the reliability of the New York State Transmission System. Interconnection Customer shall operate the Facility to maintain the specified output voltage or power factor at the Point of Interconnection within the design capability of the Facility set forth in Article 9.5.1 (Power Factor Design Criteria) as directed by the Connecting Transmission Owner's system operator or the NYISO. If Interconnection Customer is unable to maintain the

specified voltage or power factor, it shall promptly notify NYISO.

9.5.3 Payment for Reactive Power.

NYISO shall pay Interconnection Customer for reactive power or voltage support service that Interconnection Customer provides from the Facility in accordance with the provisions of Rate Schedule 2 of the ISO Services Tariff.

9.5.4 Voltage Regulators.

Whenever the Facility is operated in parallel with the New York State Transmission System, the automatic voltage regulators shall be in automatic operation at all times. If the Facility's automatic voltage regulators are not capable of such automatic operation, Interconnection Customer shall immediately notify NYISO, or its designated representative, and ensure that such Facility's real and reactive power are within the design capability of the Facility's generating unit(s) and steady state stability limits and NYISO system operating (thermal, voltage and transient stability) limits. Interconnection Customer shall not cause its Facility to disconnect automatically or instantaneously from the New York State Transmission System or trip any generating unit comprising the Facility for an under or over frequency condition unless the abnormal frequency condition persists for a time period beyond the limits set forth in ANSI/IEEE Standard C37.106, or such other standard as applied to other generators in the New York Control Area on a comparable basis.

9.5.5 Primary Frequency Response.

Interconnection Customer shall ensure the primary frequency response capability of its Facility by installing, maintaining, and operating a functioning governor or equivalent controls. The term "functioning governor or equivalent controls" as used herein shall mean the required hardware and/or software that provides frequency responsive real power control with the ability to sense changes in system frequency and autonomously adjust the Facility's real power output in accordance with the droop and deadband parameters and in the direction needed to correct frequency deviations. Interconnection Customer is required to install a governor or equivalent controls with the capability of operating: (1) with a maximum 5 percent droop \pm 0.036 Hz deadband; or (2) in accordance with the relevant droop, deadband, and timely and sustained response settings from an approved Applicable Reliability Requirements providing for equivalent or more stringent parameters. The droop characteristic shall be: (1) based on the nameplate capacity of the Facility, and shall be linear in the range of frequencies between 59 and 61 Hz that are outside of the deadband parameter; or (2) based on an approved Applicable Reliability Requirements providing for an equivalent or more stringent parameter. The deadband parameter shall be: the range of frequencies above and below nominal (60 Hz) in which the governor or equivalent controls is not expected to adjust the Facility's real power output in response to frequency deviations. The deadband shall be implemented: (1) without a step to the droop curve, that is, once the frequency deviation exceeds the deadband parameter, the expected change in the Facility's real power output in response to frequency deviations shall start from zero and then increase (for under-frequency deviations) or decrease (for over-frequency deviations) linearly in proportion to the magnitude of the frequency deviation; or (2) in accordance with an approved Applicable Reliability Requirements providing for an equivalent or

more stringent parameter. Interconnection Customer shall notify NYISO that the primary frequency response capability of the Facility has been tested and confirmed during commissioning. Once Interconnection Customer has synchronized the Facility with the New York State Transmission System, Interconnection Customer shall operate the Facility consistent with the provisions specified in Articles 9.5.5.1 and 9.5.5.2 of this Agreement. The primary frequency response requirements contained herein shall apply to both synchronous and non-synchronous Facilities.

9.5.5.1 Governor or Equivalent Controls.

Whenever the Facility is operated in parallel with the New York State Transmission System, Interconnection Customer shall operate the Facility with its governor or equivalent controls in service and responsive to frequency. Interconnection Customer shall: (1) in coordination with NYISO, set the deadband parameter to: (1) a maximum of ± 0.036 Hz and set the droop parameter to a maximum of 5 percent; or (2) implement the relevant droop and deadband settings from an approved Applicable Reliability Requirements that provides for equivalent or more stringent parameters. Interconnection Customer shall be required to provide the status and settings of the governor and equivalent controls to NYISO and/or the Connecting Transmission Owner upon request. If Interconnection Customer needs to operate the Facility with its governor or equivalent controls not in service, Interconnection Customer shall immediately notify NYISO and the Connecting Transmission Owner, and provide both with the following information: (1) the operating status of the governor or equivalent controls (i.e., whether it is currently out of service or when it will be taken out of service); (2) the reasons for removing the governor or equivalent controls from service; and (3) a reasonable estimate of when the governor or equivalent controls will be returned to service. Interconnection Customer shall make Reasonable Efforts to return its governor or equivalent controls into service as soon as practicable. Interconnection Customer shall make Reasonable Efforts to keep outages of the Facility's governor or equivalent controls to a minimum whenever the Facility is operated in parallel with the New York State Transmission System.

9.5.5.2 Timely and Sustained Response.

Interconnection Customer shall ensure that the Facility's real power response to sustained frequency deviations outside of the deadband setting is automatically provided and shall begin immediately after frequency deviates outside of the deadband, and to the extent the Facility has operating capability in the direction needed to correct the frequency deviation. Interconnection Customer shall not block or otherwise inhibit the ability of the governor or equivalent controls to respond and shall ensure that the response is not inhibited, except under certain operational constraints including, but not limited to, ambient temperature limitations, physical energy limitations, outages of mechanical equipment, or regulatory requirements. The Facility shall sustain the real power response at least until system frequency returns to a value within the deadband setting of the governor or equivalent controls. An Applicable Reliability Requirement with equivalent or more stringent requirements shall supersede the above requirements.

9.5.5.3 Exemptions.

Facilities that are regulated by the United States Nuclear Regulatory Commission shall be

exempt from Articles 9.5.5, 9.5.5.1, and 9.5.5.2 of this Agreement. Facilities that are behind the meter generation that is sized-to-load (i.e., the thermal load and the generation are near-balanced in real-time operation and the generation is primarily controlled to maintain the unique thermal, chemical, or mechanical output necessary for the operating requirements of its host facility) shall be required to install primary frequency response capability requirements in accordance with the droop and deadband capability requirements specified in Article 9.5.5, but shall be otherwise exempt from the operating requirements in Articles 9.5.5, 9.5.5.1, 9.5.5.2, and 9.5.5.4 of this Agreement.

9.5.5.4 Electric Storage Resources.

If a Facility includes an electric storage resource, the Parties shall establish an operating range in Appendix C of this Agreement that specifies a minimum state of charge and a maximum state of charge between which the electric storage resource will be required to provide primary frequency response consistent with the conditions set forth in Articles 9.5.5, 9.5.5.1, 9.5.5.2, and 9.5.5.3 of this Agreement. Appendix C shall specify whether the operating range is static or dynamic, and shall consider (1) the expected magnitude of frequency deviations in the interconnection; (2) the expected duration that system frequency will remain outside of the deadband parameter in the interconnection; (3) the expected incidence of frequency deviations outside of the deadband parameter in the interconnection; (4) the physical capabilities of the electric storage resource; (5) operational limitations of the electric storage resources due to manufacturer specification; and (6) any other relevant factors agreed to by the NYISO, Connecting Transmission Owner, and Interconnection Customer. If the operating range is dynamic, then Appendix C must establish how frequently the operating range will be reevaluated and the factors that may be considered during its reevaluation.

Interconnection Customer's electric storage resource is required to provide timely and sustained primary frequency response consistent with Article 9.5.5.2 of this Agreement when it is online and dispatched to inject electricity to the New York State Transmission System and/or receive electricity from the New York State Transmission System. This excludes circumstances when the electric storage resource is not dispatched to inject electricity to the New York State Transmission System and/or dispatched to receive electricity from the New York State Transmission System. If Interconnection Customer's electric storage resource is charging at the time of a frequency deviation outside of its deadband parameter, it is to increase (for over-frequency deviations) or decrease (for under-frequency deviations) the rate at which it is charging in accordance with its droop parameter. Interconnection Customer's electric storage resource is not required to change from charging to discharging, or vice versa, unless the response necessitated by the droop and deadband settings requires it to do so and it is technically capable of making such a transition.

9.6 Outages and Interruptions.

9.6.1 Outages.

9.6.1.1 Outage Authority and Coordination.

Interconnection Customer and Connecting Transmission Owner may each, in accordance

with ISO Procedures and Good Utility Practice and in coordination with the other Party, remove from service any of its respective Attachment Facilities or System Upgrade Facilities and System Deliverability Upgrades that may impact the other Party's facilities as necessary to perform maintenance or testing or to install or replace equipment. Absent an Emergency State, the Party scheduling a removal of such facility(ies) from service will use Reasonable Efforts to schedule such removal on a date and time mutually acceptable to both the Interconnection Customer and the Connecting Transmission Owner. In all circumstances either Party planning to remove such facility(ies) from service shall use Reasonable Efforts to minimize the effect on the other Party of such removal.

9.6.1.2 Outage Schedules.

The Connecting Transmission Owner shall post scheduled outages of its transmission facilities on the NYISO OASIS. Interconnection Customer shall submit its planned maintenance schedules for the Facility to Connecting Transmission Owner and NYISO for a minimum of a rolling thirty-six month period. Interconnection Customer shall update its planned maintenance schedules as necessary. NYISO may direct, or the Connecting Transmission Owner may request, Interconnection Customer to reschedule its maintenance as necessary to maintain the reliability of the New York State Transmission System. Compensation to Interconnection Customer for any additional direct costs that Interconnection Customer incurs as a result of rescheduling maintenance, including any additional overtime, breaking of maintenance contracts or other costs above and beyond the cost Interconnection Customer would have incurred absent the request to reschedule maintenance, shall be in accordance with the ISO OATT. Interconnection Customer will not be eligible to receive compensation, if during the twelve (12) months prior to the date of the scheduled maintenance, Interconnection Customer had modified its schedule of maintenance activities other than at the direction of the NYISO or request of the Connecting Transmission Owner.

9.6.1.3 Outage Restoration.

If an outage on the Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades of the Connecting Transmission Owner or Interconnection Customer adversely affects the other Party's operations or facilities, the Party that owns the facility that is out of service shall use Reasonable Efforts to promptly restore such facility(ies) to a normal operating condition consistent with the nature of the outage. The Party that owns the facility that is out of service shall provide the other Party and NYISO, to the extent such information is known, information on the nature of the Emergency State, an estimated time of restoration, and any corrective actions required. Initial verbal notice shall be followed up as soon as practicable with written notice explaining the nature of the outage.

9.6.2 Interruption of Service. If required by Good Utility Practice or Applicable Reliability Requirements to do so, the NYISO or Connecting Transmission Owner may require Interconnection Customer to interrupt or reduce production or transmission of electricity if such production or transmission of electricity could adversely affect the ability of NYISO and Connecting Transmission Owner to perform such activities as are necessary to safely and reliably operate and maintain the New York State Transmission System. The following provisions shall apply to any interruption or reduction permitted under this Article 9.6.2:

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

9.6.2.2 Any such interruption or reduction shall be made on an equitable, non-discriminatory basis with respect to all generating and merchant transmission facilities directly connected to the New York State Transmission System;

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

9.6.2.4 Except during the existence of an Emergency State, when the interruption or reduction can be scheduled without advance notice, NYISO or Connecting Transmission Owner shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration. NYISO or Connecting Transmission Owner shall coordinate with each other and Interconnection Customer using Good Utility Practice to schedule the interruption or reduction during periods of least impact to Interconnection Customer, the Connecting Transmission Owner and the New York State Transmission System;

9.6.2.5 The Parties shall cooperate and coordinate with each other to the extent necessary in order to restore the Facility, Attachment Facilities, and the New York State Transmission System to their normal operating state, consistent with system conditions and Good Utility Practice.

9.6.3 Ride Through Capability and Performance.

The New York State Transmission System is designed to automatically activate a load-shed program as required by the Electric Reliability Organization in the event of an under-frequency system disturbance. Interconnection Customer shall implement under-frequency and over-frequency relay set points for the Facility as required by the Electric Reliability Organization to ensure frequency “ride through” capability of the New York State Transmission System. Facility response to frequency deviations of predetermined magnitudes, both under-frequency and over-frequency deviations, shall be studied and coordinated with the NYISO and Connecting Transmission Owner in accordance with Good Utility Practice. Interconnection Customer shall also implement under-voltage and over-voltage relay set points, or equivalent electronic controls, as required by the Electric Reliability Organization to ensure voltage “ride through” capability of the New York State Transmission System. The term “ride through” as used herein shall mean the ability of a Generating Facility to stay connected to and synchronized with the New York State Transmission System during system disturbances within a range of under-frequency, over-frequency, under-voltage, and over-voltage conditions, in accordance with Good Utility Practice and consistent with any standards and guidelines that are applied to other Generating Facilities in the Balancing Authority Area on a comparable basis. For abnormal frequency conditions and voltage conditions within the “no trip zone” as that term is defined by ERO Reliability Standard PRC-024-3, any successor mandatory ride through ERO reliability

standards, or any more stringent NPCC or NYSRC requirements applicable to Generating Facilities in the Balancing Authority Area on a comparable basis, the non-synchronous Generating Facility must ensure that, within any physical limitations of the Generating Facility, its control and protection settings are configured or set to (1) continue active power production during disturbance and post disturbance periods at pre-disturbance levels, unless providing primary frequency response or fast frequency response; (2) minimize reductions in active power and remain within dynamic voltage and current limits, if reactive power priority mode is enabled, unless providing primary frequency response or fast frequency response; (3) not artificially limit dynamic reactive power capability during disturbances; and (4) return to pre-disturbance active power levels without artificial ramp rate limits if active power is reduced, unless providing primary frequency response or fast frequency response.

9.6.4 System Protection and Other Control Requirements.

9.6.4.1 System Protection Facilities. Interconnection Customer shall, at its expense, install, operate and maintain System Protection Facilities as a part of the Facility or Interconnection Customer's Attachment Facilities. Connecting Transmission Owner shall install at Interconnection Customer's expense any System Protection Facilities that may be required on the Connecting Transmission Owner's Attachment Facilities or the New York State Transmission System as a result of the interconnection of the Facility and Interconnection Customer's Attachment Facilities.

9.6.4.2 The protection facilities of both Interconnection Customer and Connecting Transmission Owner shall be designed and coordinated with other systems in accordance with Good Utility Practice and Applicable Reliability Requirements.

9.6.4.3 Interconnection Customer and Connecting Transmission Owner shall each be responsible for protection of its respective facilities consistent with Good Utility Practice and Applicable Reliability Requirements.

9.6.4.4 The protective relay design of Interconnection Customer and Connecting Transmission Owner shall each incorporate the necessary test switches to perform the tests required in Article 6 of this Agreement. The required test switches will be placed such that they allow operation of lockout relays while preventing breaker failure schemes from operating and causing unnecessary breaker operations and/or the tripping of Interconnection Customer's Facility or Connecting Transmission Owner's facilities.

9.6.4.5 Interconnection Customer and Connecting Transmission Owner will each test, operate and maintain System Protection Facilities in accordance with Good Utility Practice, ERO and NPCC criteria.

9.6.4.6 Prior to the Initial Feedback Date, and again prior to the Commercial Operation Date, Interconnection Customer and Connecting Transmission Owner shall each perform, or their agents shall perform, a complete calibration test and functional trip test of the System Protection Facilities. At intervals suggested by Good Utility Practice and following any apparent malfunction of the System Protection Facilities, Interconnection Customer and Connecting Transmission Owner shall each perform both calibration and functional trip tests of

its System Protection Facilities. These tests do not require the tripping of any in-service generation unit. These tests do, however, require that all protective relays and lockout contacts be activated.

9.6.5 Requirements for Protection.

In compliance with NPCC requirements and Good Utility Practice, Interconnection Customer shall provide, install, own, and maintain relays, circuit breakers and all other devices necessary to remove any fault contribution of the Facility to any short circuit occurring on the New York State Transmission System not otherwise isolated by Connecting Transmission Owner's equipment, such that the removal of the fault contribution shall be coordinated with the protective requirements of the New York State Transmission System. Such protective equipment shall include, without limitation, a disconnecting device or switch with load-interrupting capability located between the Facility and the New York State Transmission System at a site selected upon mutual agreement (not to be unreasonably withheld, conditioned or delayed) of Interconnection Customer and Connecting Transmission Owner. Interconnection Customer shall be responsible for protection of the Facility and Interconnection Customer's other equipment from such conditions as negative sequence currents, over- or under-frequency, sudden load rejection, over- or under-voltage, and generator loss-of-field. Interconnection Customer shall be solely responsible to disconnect the Facility and Interconnection Customer's other equipment if conditions on the New York State Transmission System could adversely affect the Facility.

9.6.6 Power Quality.

Neither the facilities of Interconnection Customer nor the facilities of Connecting Transmission Owner shall cause excessive voltage flicker nor introduce excessive distortion to the sinusoidal voltage or current waves as defined by ANSI Standard C84.1-1989, in accordance with IEEE Standard 519, or any applicable superseding electric industry standard. In the event of a conflict between ANSI Standard C84.1-1989, or any applicable superseding electric industry standard, ANSI Standard C84.1-1989, or the applicable superseding electric industry standard, shall control.

9.7 Switching and Tagging Rules.

Interconnection Customer and Connecting Transmission Owner shall each provide the other Party a copy of its switching and tagging rules that are applicable to the other Party's activities. Such switching and tagging rules shall be developed on a nondiscriminatory basis. The Parties shall comply with applicable switching and tagging rules, as amended from time to time, in obtaining clearances for work or for switching operations on equipment.

9.8 Use of Attachment Facilities by Third Parties.

9.8.1 Purpose of Attachment Facilities.

Except as may be required by Applicable Laws and Regulations, or as otherwise agreed to among the Parties, the Attachment Facilities shall be constructed for the sole purpose of interconnecting the Facility to the New York State Transmission System and shall be used for no

other purpose.

9.8.2 Third Party Users.

If required by Applicable Laws and Regulations or if the Parties mutually agree, such agreement not to be unreasonably withheld, to allow one or more third parties to use the Connecting Transmission Owner's Attachment Facilities, or any part thereof, Interconnection Customer will be entitled to compensation for the capital expenses it incurred in connection with the Attachment Facilities based upon the pro rata use of the Attachment Facilities by Connecting Transmission Owner, all third party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually-agreed upon methodology. In addition, cost responsibility for ongoing costs, including operation and maintenance costs associated with the Attachment Facilities, will be allocated between Interconnection Customer and any third party users based upon the pro rata use of the Attachment Facilities by Connecting Transmission Owner, all third party users, and Interconnection Customer, in accordance with Applicable Laws and Regulations or upon some other mutually agreed upon methodology. If the issue of such compensation or allocation cannot be resolved through such negotiations, it shall be submitted to FERC for resolution.

9.9 Disturbance Analysis Data Exchange.

The Parties will cooperate with one another and the NYISO in the analysis of disturbances to either the Facility or the New York State Transmission System by gathering and providing access to any information relating to any disturbance, including information from disturbance recording equipment, protective relay targets, breaker operations and sequence of events records, and any disturbance information required by Good Utility Practice.

9.10 Phasor Measurement Units

An Interconnection Customer shall install and maintain, at its expense, phasor measurement units ("PMUs") if it meets the following criteria: (1) completed a Class Year Study or Cluster Study after Class Year 2017; and (2) proposes a new Facility that either (a) has a maximum net output equal to or greater than 100 MW or (b) requires, as Attachment Facilities or System Upgrade Facilities, a new substation of 230kV or above .

PMUs shall be installed on the Facility on the low side of the generator step-up transformer, unless it is a non-synchronous generation facility, in which case the PMUs shall be installed on the Interconnection Customer side of the Point of Interconnection. The PMUs must be capable of performing phasor measurements at a minimum of 60 samples per second which are synchronized via a high-accuracy satellite clock. To the extent Interconnection Customer installs similar quality equipment, such as relays or digital fault recorders, that can collect data at least at the same rate as PMUs and which data is synchronized via a high-accuracy satellite clock, such equipment would satisfy this requirement.

Interconnection Customer shall be required to install and maintain, at its expense, PMU equipment which includes the communication circuit capable of carrying the PMU data to a local data concentrator, and then transporting the information continuously to the Connecting

Transmission Owner and the NYISO; as well as store the PMU data locally for thirty Calendar Days. Interconnection Customer shall provide to Connecting Transmission Owner and the NYISO all necessary and requested information through the Connecting Transmission Owner's and the NYISO's synchrophasor system, including the following: (a) gross MW and MVAR measured at the Interconnection Customer side of the generator step-up transformer (or, for a non-synchronous generation facility, to be measured at the Interconnection Customer side of the Point of Interconnection); (b) generator terminal voltage and current magnitudes and angles; (c) generator terminal frequency and frequency rate of change; and (d) generator field voltage and current, where available; and (e) breaker status, if available. The Connecting Transmission Owner will provide for the ongoing support and maintenance of the network communications linking the data concentrator to the Connecting Transmission Owner and the NYISO, consistent with ISO Procedures detailing the obligations related to SCADA data.

ARTICLE 10. MAINTENANCE

10.1 Connecting Transmission Owner Obligations.

Connecting Transmission Owner shall maintain its transmission facilities and Attachment Facilities in a safe and reliable manner and in accordance with this Agreement.

10.2 Interconnection Customer Obligations.

Interconnection Customer shall maintain its Facility and Attachment Facilities in a safe and reliable manner and in accordance with this Agreement.

10.3 Coordination.

Interconnection Customer and Connecting Transmission Owner shall confer regularly to coordinate the planning, scheduling and performance of preventive and corrective maintenance on the Facility and the Attachment Facilities. Interconnection Customer and Connecting Transmission Owner shall keep NYISO fully informed of the preventive and corrective maintenance that is planned, and shall schedule all such maintenance in accordance with ISO Procedures.

10.4 Secondary Systems.

Interconnection Customers and Connecting Transmission Owner shall each cooperate with the other in the inspection, maintenance, and testing of control or power circuits that operate below 600 volts, AC or DC, including, but not limited to, any hardware, control or protective devices, cables, conductors, electric raceways, secondary equipment panels, transducers, batteries, chargers, and voltage and current transformers that directly affect the operation of Interconnection Customer's or Connecting Transmission Owner's facilities and equipment which may reasonably be expected to impact the other Party. Interconnection Customer and Connecting Transmission Owner shall each provide advance notice to the other Party, and to NYISO, before undertaking any work on such circuits, especially on electrical circuits involving circuit breaker trip and close contacts, current transformers, or potential transformers.

10.5 Operating and Maintenance Expenses.

Subject to the provisions herein addressing the use of facilities by others, and except for operations and maintenance expenses associated with modifications made for providing interconnection or transmission service to a third party and such third party pays for such expenses, Interconnection Customer shall be responsible for all reasonable expenses including overheads, associated with: (1) owning, operating, maintaining, repairing, and replacing Interconnection Customer's Attachment Facilities; and (2) operation, maintenance, repair and replacement of Connecting Transmission Owner's Attachment Facilities. The Connecting Transmission Owner shall be entitled to the recovery of incremental operating and maintenance expenses that it incurs associated with System Upgrade Facilities and System Deliverability Upgrades if and to the extent provided for under Attachment HH to the ISO OATT.

ARTICLE 11. PERFORMANCE OBLIGATION

11.1 Interconnection Customer's Attachment Facilities.

Interconnection Customer shall design, procure, construct, install, own and/or control the Interconnection Customer's Attachment Facilities described in Appendix A hereto, at its sole expense.

11.2 Connecting Transmission Owner's Attachment Facilities.

Connecting Transmission Owner or Interconnection Customer, as determined in accordance with Article 5 of this Agreement, shall design, procure, construct, and/or install the Connecting Transmission Owner's Attachment Facilities described in Appendix A hereto at the sole expense of the Interconnection Customer. Connecting Transmission Owner shall own the Connecting Transmission Owner's Attachment Facilities

11.3 System Upgrade Facilities and System Deliverability Upgrades.

Connecting Transmission Owner or Interconnection Customer, as determined in accordance with Article 5 of this Agreement, shall design, procure, construct, and/or install the System Upgrade Facilities and System Deliverability Upgrades described in Appendix A hereto. Connecting Transmission Owner shall own the System Upgrade Facilities and System Deliverability Upgrades. The responsibility of the Interconnection Customer for costs related to System Upgrade Facilities and System Deliverability Upgrades shall be determined in accordance with the provisions of Attachment HH to the OATT.

11.4 Upgrades on Affected Systems or Upgrades Required for Multiple Projects on Connecting Transmission Owner's System or Affected Systems.

If any System Upgrade Facilities or System Deliverability Upgrades: (i) are required in connection with the interconnection of the Facility and are located on an Affected System or (ii) are required in connection with the interconnection of multiple projects, including the Facility, and are located on either the Connecting Transmission Owner's system or an Affected System, the upgrades will be described in Appendix A to this Agreement and will be constructed in accordance with, as applicable, a Standard Upgrades Construction Agreement or a Standard

Multiparty Upgrade Construction Agreement pursuant to the requirements in Attachment HH to the OATT. If the Facility is subject to an Affected System Study for potential impacts to an External Affected System, the status of the Affected System Study and any identified Affected System Network Upgrades on the External Affected System will be described in Appendix A to this Agreement.

11.5 Provision of Security.

[If this Agreement is for a Generating Facility or Cluster Study Transmission Project participating in a Cluster Study Process that accepted, or is agreeing under this Agreement to accept, as applicable its Project Cost Allocation for Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, and/or System Deliverability Upgrades and has posted, or is agreeing to post, the related Security in the Cluster Study Process, this provision will be replaced with the following: Attachment HH to the ISO OATT shall govern the Security that Interconnection Customer provided for, as applicable, Connecting Transmission Owner's Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and/or System Deliverability Upgrades for a Generating Facility or Cluster Study Transmission Project that participated in a Cluster Study.]

At least thirty (30) Calendar Days prior to the commencement of the procurement, installation, or construction of a discrete portion of a Connecting Transmission Owner's Attachment Facilities, Interconnection Customer shall provide Connecting Transmission Owner, at Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Connecting Transmission Owner and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 14.2.1 of this Agreement. Such security for payment shall be in an amount sufficient to cover the cost for Interconnection Customer's share of constructing, procuring and installing the applicable portion of Connecting Transmission Owner's Attachment Facilities, and shall be reduced on a dollar-for-dollar basis for payments made to Connecting Transmission Owner for these purposes.

In addition:

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

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

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

11.5.4 Attachment HH to the ISO OATT shall govern the Security that Interconnection Customer provided for System Upgrade Facilities and System Deliverability Upgrades for a Generating Facility or Class Year Transmission Project that participated in a Class Year Study.

11.6 Interconnection Customer's Compensation for Emergency Services.

If, during an Emergency State, Interconnection Customer provides services at the request or direction of the NYISO or Connecting Transmission Owner, Interconnection Customer will be compensated for such services in accordance with the ISO Services Tariff.

11.7 Line Outage Costs.

Notwithstanding anything in the ISO OATT to the contrary, the Connecting Transmission Owner may propose to recover line outage costs associated with the installation of Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, or System Deliverability Upgrades on a case-by-case basis.

ARTICLE 12. INVOICE

12.1 General.

Interconnection Customer and Connecting Transmission Owner shall each submit to the other Party, on a monthly basis, invoices of amounts due for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. Interconnection Customer and Connecting Transmission Owner may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts one Party owes to the other Party under this Agreement, including interest payments or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

12.2 Final Invoice.

Within six months after completion of the construction of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and System Deliverability Upgrades, Connecting Transmission Owner shall provide an invoice of the final cost of the construction of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and System Deliverability Upgrades, determined in accordance with Attachment HH to the ISO OATT, and shall set forth such costs in sufficient detail to enable Interconnection Customer to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates. Connecting Transmission Owner shall refund to Interconnection Customer any amount by which the actual payment by Interconnection Customer for estimated costs exceeds the actual costs of construction within thirty (30) Calendar Days of the issuance of such final construction invoice.

12.3 Payment.

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

12.4 Disputes.

In the event of a billing dispute between Connecting Transmission Owner and Interconnection Customer, Connecting Transmission Owner shall continue to perform under this Agreement as long as Interconnection Customer: (i) continues to make all payments not in dispute; and (ii) pays to Connecting Transmission Owner or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If Interconnection Customer fails to meet these two requirements for continuation of service, then Connecting Transmission Owner may provide notice to Interconnection Customer of a Default pursuant to Article 17. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's Regulations at 18 C.F.R. § 35.19a(a)(2)(iii).

ARTICLE 13. EMERGENCIES

13.1 Obligations.

Each Party shall comply with the Emergency State procedures of NYISO, the applicable Reliability Councils, of Applicable Laws and Regulations, and any emergency procedures agreed to by the NYISO Operating Committee.

13.2 Notice.

NYISO or, as applicable, Connecting Transmission Owner shall notify Interconnection Customer promptly when it becomes aware of an Emergency State that affects the Connecting Transmission Owner's Attachment Facilities or the New York State Transmission System that may reasonably be expected to affect Interconnection Customer's operation of the Facility or the Interconnection Customer's Attachment Facilities. Interconnection Customer shall notify NYISO and Connecting Transmission Owner promptly when it becomes aware of an Emergency State that affects the Facility or the Interconnection Customer's Attachment Facilities that may reasonably be expected to affect the New York State Transmission System or the Connecting Transmission Owner's Attachment Facilities. To the extent information is known, the notification shall describe the Emergency State, the extent of the damage or deficiency, the expected effect on the operation of Interconnection Customer's or Connecting Transmission Owner's facilities and operations, its anticipated duration and the corrective action taken and/or to be taken. The initial notice shall be followed as soon as practicable with written notice.

13.3 Immediate Action.

Unless, in Interconnection Customer's reasonable judgment, immediate action is required, Interconnection Customer shall obtain the consent of Connecting Transmission Owner, such consent to not be unreasonably withheld, prior to performing any manual switching operations at the Facility or the Interconnection Customer's Attachment Facilities in response to an Emergency State either declared by NYISO, Connecting Transmission Owner or otherwise regarding New York State Transmission System.

13.4 NYISO and Connecting Transmission Owner Authority.

13.4.1 General.

NYISO or Connecting Transmission Owner may take whatever actions with regard to the New York State Transmission System or the Connecting Transmission Owner's Attachment Facilities it deems necessary during an Emergency State in order to (i) preserve public health and safety, (ii) preserve the reliability of the New York State Transmission System or the Connecting Transmission Owner's Attachment Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service.

NYISO and Connecting Transmission Owner shall use Reasonable Efforts to minimize the effect of such actions or inactions on the Facility or the Interconnection Customer's Attachment Facilities. NYISO or Connecting Transmission Owner may, on the basis of technical considerations, require the Facility to mitigate an Emergency State by taking actions necessary and limited in scope to remedy the Emergency State, including, but not limited to, directing Interconnection Customer to shut-down, start-up, increase or decrease the real or reactive power output of the Facility; implementing a reduction or disconnection pursuant to Article 13.4.2; directing Interconnection Customer to assist with blackstart (if available) or restoration efforts; or altering the outage schedules of the Facility and the Interconnection Customer's Attachment Facilities. Interconnection Customer shall comply with all of the NYISO and Connecting Transmission Owner's operating instructions concerning Facility real power and reactive power output within the manufacturer's design limitations of the Facility's equipment that is in service and physically available for operation at the time, in compliance with Applicable Laws and Regulations.

13.4.2 Reduction and Disconnection.

NYISO or Connecting Transmission Owner may reduce generation or transmission from or disconnect the Facility or the Interconnection Customer's Attachment Facilities, when such reduction or disconnection is necessary under Good Utility Practice due to an Emergency State. These rights are separate and distinct from any right of Curtailment of NYISO pursuant to the ISO OATT. When NYISO or Connecting Transmission Owner can schedule the reduction or disconnection in advance, NYISO or Connecting Transmission Owner shall notify Interconnection Customer of the reasons, timing and expected duration of the reduction or disconnection. NYISO or Connecting Transmission Owner shall coordinate with Interconnection Customer using Good Utility Practice to schedule the reduction or disconnection during periods of least impact to Interconnection Customer and the New York State Transmission System. Any reduction or disconnection shall continue only for so long as reasonably necessary under Good Utility Practice. The Parties shall cooperate with each other to restore the Facility, the Attachment Facilities, and the New York State Transmission System to their normal operating state as soon as practicable consistent with Good Utility Practice.

13.5 Interconnection Customer Authority.

Consistent with Good Utility Practice and this Agreement, Interconnection Customer may take whatever actions or inactions with regard to the Facility or the Interconnection

Customer's Attachment Facilities during an Emergency State in order to (i) preserve public health and safety, (ii) preserve the reliability of the Facility or the Interconnection Customer's Attachment Facilities, (iii) limit or prevent damage, and (iv) expedite restoration of service. Interconnection Customer shall use Reasonable Efforts to minimize the effect of such actions or inactions on the New York State Transmission System and the Connecting Transmission Owner's Attachment Facilities. NYISO and Connecting Transmission Owner shall use Reasonable Efforts to assist Interconnection Customer in such actions.

13.6 Limited Liability.

Except as otherwise provided in Article 11.6 of this Agreement, no Party shall be liable to another Party for any action it takes in responding to an Emergency State so long as such action is made in good faith and is consistent with Good Utility Practice and the NYISO Tariffs.

ARTICLE 14. REGULATORY REQUIREMENTS AND GOVERNING LAW

14.1 Regulatory Requirements.

Each Party's obligations under this Agreement shall be subject to its receipt of any required approval or certificate from one or more Governmental Authorities in the form and substance satisfactory to the applying Party, or the Party making any required filings with, or providing notice to, such Governmental Authorities, and the expiration of any time period associated therewith. Each Party shall in good faith seek and use its Reasonable Efforts to obtain such other approvals. Nothing in this Agreement shall require Interconnection Customer to take any action that could result in its inability to obtain, or its loss of, status or exemption under the Federal Power Act or the Public Utility Holding Company Act of 2005 or the Public Utility Regulatory Policies Act of 1978, as amended.

14.2 Governing Law.

14.2.1 The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the state of New York, without regard to its conflicts of law principles.

14.2.2 This Agreement is subject to all Applicable Laws and Regulations.

14.2.3 Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

ARTICLE 15. NOTICES

15.1 General.

Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by a Party to the other Parties and any instrument required or permitted to be tendered or delivered by a Party in writing to the other Parties shall be effective when delivered and may be so given, tendered or delivered, by recognized national courier, or by depositing the same with the United States Postal Service with postage prepaid, for delivery by

certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out in Appendix F hereto.

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

15.2 Billings and Payments.

Billings and payments shall be sent to the addresses set out in Appendix F hereto.

15.3 Alternative Forms of Notice.

Any notice or request required or permitted to be given by a Party to the other Parties and not required by this Agreement to be given in writing may be so given by telephone or email to the telephone numbers and email addresses set out in Appendix F hereto.

15.4 Operations and Maintenance Notice.

Interconnection Customer and Connecting Transmission Owner shall each notify the other Party, and NYISO, in writing of the identity of the person(s) that it designates as the point(s) of contact with respect to the implementation of Articles 9 and 10 of this Agreement.

ARTICLE 16. FORCE MAJEURE

16.1 Economic hardship is not considered a Force Majeure event.

16.2 A Party shall not be responsible or liable, or deemed, in Default with respect to any obligation hereunder, (including obligations under Article 4 of this Agreement) , other than the obligation to pay money when due, to the extent the Party is prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Parties in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this Article shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

ARTICLE 17. DEFAULT

17.1 General.

No Breach shall exist where such failure to discharge an obligation (other than the payment of money) is the result of Force Majeure as defined in this Agreement or the result of an act or omission of the other Parties. Upon a Breach, the non-Breaching Parties shall give written notice of such to the Breaching Party. The Breaching Party shall have thirty (30) Calendar Days

from receipt of the Breach notice within which to cure such Breach; provided however, if such Breach is not capable of cure within thirty (30) Calendar Days, the Breaching Party shall commence such cure within thirty (30) Calendar Days after notice and continuously and diligently complete such cure within ninety (90) Calendar Days from receipt of the Breach notice; and, if cured within such time, the Breach specified in such notice shall cease to exist.

17.2 Right to Terminate.

If a Breach is not cured as provided in this Article 17, or if a Breach is not capable of being cured within the period provided for herein, the non-Breaching Parties acting together shall thereafter have the right to declare a Default and terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not those Parties terminate this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which they are entitled at law or in equity. The provisions of this Article will survive termination of this Agreement.

ARTICLE 18. INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE

18.1 Indemnity.

Each Party (the “Indemnifying Party”) shall at all times indemnify, defend, and save harmless, as applicable, the other Parties (each an “Indemnified Party”) from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, the alleged violation of any Environmental Law, or the release or threatened release of any Hazardous Substance, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties (any and all of these a “Loss”), arising out of or resulting from (i) the Indemnified Party’s performance of its obligations under this Agreement on behalf of the Indemnifying Party, except in cases where the Indemnifying Party can demonstrate that the Loss of the Indemnified Party was caused by the gross negligence or intentional wrongdoing of the Indemnified Party or (ii) the violation by the Indemnifying Party of any Environmental Law or the release by the Indemnifying Party of any Hazardous Substance.

18.1.1 Indemnified Party.

If a Party is entitled to indemnification under this Article 18 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 18.1.3, to assume the defense of such claim, such Indemnified Party may at the expense of the Indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

18.1.2 Indemnifying Party.

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

18.1.3 Indemnity Procedures.

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

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

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

18.2 No Consequential Damages.

Other than the liquidated damages heretofore described and the indemnity obligations set forth in Article 18.1, in no event shall any Party be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to another Party under separate agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

18.3 Insurance.

Interconnection Customer and Connecting Transmission Owner shall each, at its own

expense, procure and maintain in force throughout the period of this Agreement and until released by the other Parties, the following minimum insurance coverages, with insurance companies licensed to write insurance or approved eligible surplus lines carriers in the state of New York with a minimum A.M. Best rating of A or better for financial strength, and an A.M. Best financial size category of VIII or better:

18.3.1 Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of New York State.

18.3.2 Commercial General Liability ("CGL") Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available using Insurance Services Office, Inc. Commercial General Liability Coverage ("ISO CG") Form CG 00 01 04 13 or a form equivalent to or better than CG 00 01 04 13, with minimum limits of Two Million Dollars (\$2,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage.

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

18.3.4 If applicable, the Commercial General Liability and Comprehensive Automobile Liability Insurance policies should include contractual liability for work in connection with construction or demolition work on or within 50 feet of a railroad, or a separate Railroad Protective Liability Policy should be provided.

18.3.5 Excess Liability Insurance over and above the Employers' Liability, Commercial General Liability and Comprehensive Automobile Liability Insurance coverages, with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) per occurrence and Twenty Million Dollars (\$20,000,000) aggregate. The Excess policies should contain the same extensions listed under the Primary policies.

18.3.6 The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Liability Insurance policies of Interconnection Customer and Connecting Transmission Owner shall name the other Party, its parent, associated and Affiliate companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional insureds using ISO CG Endorsements: CG 20 33 04 13, and CG 20 37 04 13 or CG 20 10 04 13 and CG 20 37 04 13 or equivalent to or better forms. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this Agreement against the Other Party Group and provide thirty (30) Calendar days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.

18.3.7 The Commercial General Liability Insurance, Comprehensive Automobile

Liability Insurance and Excess Liability Insurance policies shall contain provisions that specify that the policies are primary and non-contributory. Interconnection Customer and Connecting Transmission Owner shall each be responsible for its respective deductibles or retentions.

18.3.8 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for at least three (3) years after termination of this Agreement, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by Interconnection Customer and Connecting Transmission Owner.

18.3.9 If applicable, Pollution Liability Insurance in an amount no less than \$7,500,000 per occurrence and \$7,500,000 in the aggregate. The policy will provide coverage for claims resulting from pollution or other environmental impairment arising out of or in connection with work performed on the premises by the other party, its contractors and and/or subcontractors. Such insurance is to include coverage for, but not be limited to, cleanup, third party bodily injury and property damage and remediation and will be written on an occurrence basis. The policy shall name the Other Party Group as additional insureds, be primary and contain a waiver of subrogation.

18.3.10 The requirements contained herein as to the types and limits of all insurance to be maintained by Interconnection Customer and Connecting Transmission Owner are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by those Parties under this Agreement.

18.3.11 Within [insert term stipulated by the Parties] Calendar Days following execution of this Agreement, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) Calendar Days thereafter, Interconnection Customer and Connecting Transmission Owner shall provide certificate of insurance for all insurance required in this Agreement, executed by each insurer or by an authorized representative of each insurer.

18.3.12 Notwithstanding the foregoing, Interconnection Customer and Connecting Transmission Owner may each self-insure to meet the minimum insurance requirements of Articles 18.3.1 through 18.3.9 to the extent it maintains a self-insurance program; provided that, such Party's senior debt is rated at investment grade, or better, by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 18.3.1 through 18.3.9. . In the event that a Party is permitted to self-insure pursuant to this Article 18.3.12, it shall notify the other Party that it meets the requirements to self-insure and that its self-insurance program meets the minimum insurance requirements in a manner consistent with that specified in Articles 18.3.1 through 18.3.9 and provide evidence of such coverages. For any period of time that a Party's senior debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Party shall comply with the insurance requirements applicable to it under Articles 18.3.1 through 18.3.9.

18.3.13 Interconnection Customer and Connecting Transmission Owner agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this Agreement.

18.3.14 Subcontractors of each party must maintain the same insurance requirements stated under Articles 18.3.1 through 18.3.9 and comply with the Additional Insured requirements herein. In addition, their policies must state that they are primary and non-contributory and contain a waiver of subrogation.

ARTICLE 19. ASSIGNMENT

This Agreement may be assigned by a Party only with the written consent of the other Parties; provided that a Party may assign this Agreement without the consent of the other Parties to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; provided further that a Party may assign this Agreement without the consent of the other Parties in connection with the sale, merger, restructuring, or transfer of a substantial portion or all of its assets, including the Attachment Facilities it owns, so long as the assignee in such a transaction directly assumes in writing all rights, duties and obligations arising under this Agreement; and provided further that Interconnection Customer shall have the right to assign this Agreement, without the consent of the NYISO or Connecting Transmission Owner, for collateral security purposes to aid in providing financing for the Facility, provided that Interconnection Customer will promptly notify the NYISO and Connecting Transmission Owner of any such assignment. Any financing arrangement entered into by Interconnection Customer pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the NYISO and Connecting Transmission Owner of the date and particulars of any such exercise of assignment right(s) and will provide the NYISO and Connecting Transmission Owner with proof that it meets the requirements of Articles 11.5 and 18.3. If the Facility is made up of more than one resource, a Party may only assign this Agreement for the entire Facility and may not divide the Agreement into separate agreements for the individual resources that constitute the Facility. Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

ARTICLE 20. SEVERABILITY

If any provision in this Agreement is finally determined to be invalid, void or unenforceable by any court or other Governmental Authority having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this Agreement; provided that if Interconnection Customer (or any third party, but only if such third party is not acting at the direction of the Connecting Transmission Owner) seeks and obtains such a final determination with respect to any provision of the Alternate Option (Article 5.1.2), or the Negotiated Option (Article 5.1.4), then none of these provisions shall thereafter have any force or effect and the rights and obligations of Developer and Connecting Transmission Owner shall be governed solely by the Standard Option (Article 5.1.1).

ARTICLE 21. COMPARABILITY

The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

ARTICLE 22. CONFIDENTIALITY

22.1 Confidentiality.

Certain information exchanged by the Parties during the term of this Agreement shall constitute confidential information (“Confidential Information”) and shall be subject to this Article 22.

If requested by a Party receiving information, the Party supplying the 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.

22.2 Term.

During the term of this Agreement, and for a period of three (3) years after the expiration or termination of this Agreement, except as otherwise provided in this Article 22, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

22.3 Confidential Information.

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

22.4 Scope.

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this Agreement; or (6) is required, in accordance with Article 22.9 of this Agreement, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this 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.

22.5 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), subcontractors, employees, consultants, or to parties who may be considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of a Party, on a need-to-know basis in connection with this Agreement, unless such person has first been advised of the confidentiality provisions of this Article 22 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Article 22.

22.6 Rights.

Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other 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.

22.7 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.

22.8 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 this Agreement or its regulatory requirements, including the ISO OATT and ISO Services Tariff. The NYISO shall, in all cases, treat the information it receives in accordance with the requirements of Attachment F to the ISO OATT.

22.9 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 this Agreement. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its

counsel, the Party is legally compelled to disclose. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

22.10 Termination of Agreement.

Upon termination of this Agreement for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from the other Parties, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the other Parties) or return to the other Parties, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Parties pursuant to this Agreement.

22.11 Remedies.

The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 22. 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 Article 22, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Article 22, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Article 22.

22.12 Disclosure to FERC, its Staff, or a State.

Notwithstanding anything in this Article 22 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 this Agreement or the ISO 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 to this Agreement prior to the release of the Confidential Information to the Commission or its staff. The Party shall notify the other Parties to the Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time 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 if consistent with the applicable state rules and 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.

22.13 Required Notices Upon Requests or Demands for Confidential Information

Except as otherwise expressly provided herein, 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 other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Agreement, the ISO OATT or the ISO 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 Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

ARTICLE 23. INTERCONNECTION CUSTOMER AND CONNECTING TRANSMISSION OWNER NOTICES OF ENVIRONMENTAL RELEASES

Interconnection Customer and Connecting Transmission Owner shall each notify the other Party, first orally and then in writing, of the release of any Hazardous Substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Facility or the Attachment Facilities, each of which may reasonably be expected to affect the other Party. The notifying Party shall: (i) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than twenty-four hours after such Party becomes aware of the occurrence; and (ii) promptly furnish to the other Party copies of any publicly available reports filed with any Governmental Authorities addressing such events.

ARTICLE 24. INFORMATION REQUIREMENT

24.1 Information Acquisition.

Connecting Transmission Owner and Interconnection Customer shall each submit specific information regarding the electrical characteristics of their respective facilities to the other, and to NYISO, as described below and in accordance with Applicable Reliability Requirements.

24.2 Information Submission by Connecting Transmission Owner.

The initial information submission by Connecting Transmission Owner shall occur no later than one hundred eighty (180) Calendar Days prior to the Synchronization Date and shall include New York State Transmission System information necessary to allow Interconnection Customer to select equipment and meet any system protection and stability requirements, unless otherwise mutually agreed to by Interconnection Customer and Connecting Transmission Owner and set forth in the Milestones table in Appendix B to this Agreement. On a monthly basis, Connecting Transmission Owner or Interconnection Customer, as applicable, shall provide the

other Parties with a status report on the construction and installation of the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and System Deliverability Upgrades for which it is responsible, including, but not limited to, the following information: (1) progress to date; (2) a description of the activities since the last report; (3) a description of the action items for the next period; and (4) the delivery status of equipment ordered.

24.3 Updated Information Submission by Interconnection Customer.

The updated information submission by Interconnection Customer, including manufacturer information, shall occur no later than one hundred eighty (180) Calendar Days prior to the Synchronization Date, unless otherwise mutually agreed to by Interconnection Customer and Connecting Transmission Owner and set forth in the Milestone table in Appendix B to this Agreement. Interconnection Customer shall submit a completed copy of the Facility data requirements contained in, as applicable, Appendix 1 to the Standard Large Facility Interconnection Procedures in Attachment X to the OATT or Appendix [*] to the Standard Interconnection Procedures in Attachment HH to the OATT. It shall also include any additional information provided to Connecting Transmission Owner for the Class Year Study or Cluster Study. Information in this submission shall be the most current Facility design or expected performance data. Information submitted for stability models shall be compatible with NYISO standard models. If there is no compatible model, Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If Interconnection Customer's data is different from what Interconnection Customer originally provided to Connecting Transmission Owner and NYISO in its Interconnection Request or, if applicable, pursuant to an Class Year Study Agreement among Connecting Transmission Owner, NYISO and Interconnection Customer and this difference may be reasonably expected to affect the other Parties' facilities or the New York State Transmission System, but does not require the submission of a new Interconnection Request, then NYISO will conduct appropriate studies to determine the impact on the New York State Transmission System based on the actual data submitted pursuant to this Article 24.3. Such studies will provide an estimate of any additional modifications to the New York State Transmission System, Connecting Transmission Owner's Attachment Facilities or System Upgrade Facilities or System Deliverability Upgrades based on the actual data and a good faith estimate of the costs thereof. The Interconnection Customer shall not begin Trial Operation until such studies are completed. The Interconnection Customer shall be responsible for the cost of any modifications required by the actual data, including the cost of any required studies.

24.4 Information Supplementation.

Prior to the Commercial Operation Date, Interconnection Customer and Connecting Transmission Owner shall supplement their information submissions described above in this Article 24 with any and all "as-built" Facility information or "as-tested" performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist. If the Facility is a Class Year Transmission Project or Cluster Study Transmission Project, Appendix C to this Agreement shall include any project-specific variations

from the testing requirements established in this Article 24.4 that are appropriate for the transmission facility.

Interconnection Customer shall conduct tests on the Facility as required by Good Utility Practice such as an open circuit “step voltage” test on the Facility to verify proper operation of the Facility’s automatic voltage regulator. Unless otherwise agreed, the test conditions shall include: (1) Facility at synchronous speed; (2) automatic voltage regulator on and in voltage control mode; and (3) a five percent change in Facility terminal voltage initiated by a change in the voltage regulators reference voltage. Interconnection Customer shall provide validated test recordings showing the responses of Facility terminal and field voltages. In the event that direct recordings of these voltages is impractical, recordings of other voltages or currents that mirror the response of the Facility’s terminal or field voltage are acceptable if information necessary to translate these alternate quantities to actual Facility terminal or field voltages is provided. Facility testing shall be conducted and results provided to the Connecting Transmission Owner and NYISO for each individual generating unit in a station.

Subsequent to the Commercial Operation Date, Interconnection Customer shall provide Connecting Transmission Owner and NYISO any information changes due to equipment replacement, repair, or adjustment. Connecting Transmission Owner shall provide Interconnection Customer and NYISO any information changes due to equipment replacement, repair or adjustment in the directly connected substation or any adjacent Connecting Transmission Owner substation that may affect the Interconnection Customer’s Attachment Facilities equipment ratings, protection or operating requirements. Interconnection Customer and Connecting Transmission Owner shall provide such information no later than thirty (30) Calendar Days after the date of the equipment replacement, repair or adjustment.

ARTICLE 25. INFORMATION ACCESS AND AUDIT RIGHTS

25.1 Information Access.

Each Party (“Disclosing Party”) shall make available to another Party (“Requesting Party”) information that is in the possession of the Disclosing Party and is necessary in order for the Requesting Party to: (i) verify the costs incurred by the Disclosing Party for which the Requesting Party is responsible under this Agreement; and (ii) carry out its obligations and responsibilities under this Agreement. The Parties shall not use such information for purposes other than those set forth in this Article 25.1 of this Agreement and to enforce their rights under this Agreement.

25.2 Reporting of Non-Force Majeure Events.

Each Party (the “Notifying Party”) shall notify the other Parties when the Notifying Party becomes aware of its inability to comply with the provisions of this Agreement for a reason other than a Force Majeure event. The Parties agree to cooperate with each other and provide necessary information regarding such inability to comply, including the date, duration, reason for the inability to comply, and corrective actions taken or planned to be taken with respect to such inability to comply. Notwithstanding the foregoing, notification, cooperation or information provided under this Article shall not entitle the Party receiving such notification to allege a cause

for anticipatory breach of this Agreement.

25.3 Audit Rights.

Subject to the requirements of confidentiality under Article 22 of this Agreement, each Party shall have the right, during normal business hours, and upon prior reasonable notice to another Party, to audit at its own expense the other Party's accounts and records pertaining to the other Party's performance or satisfaction of its obligations under this Agreement. Such audit rights shall include audits of the other Party's costs, calculation of invoiced amounts, and each Party's actions in an Emergency State. Any audit authorized by this Article shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that relate to the Party's performance and satisfaction of obligations under this Agreement. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 25.4 of this Agreement.

25.4 Audit Rights Periods.

25.4.1 Audit Rights Period for Construction-Related Accounts and Records.

Accounts and records related to the design, engineering, procurement, and construction of Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and System Deliverability Upgrades shall be subject to audit for a period of twenty-four months following Connecting Transmission Owner's issuance of a final invoice in accordance with Article 12.2 of this Agreement.

25.4.2 Audit Rights Period for All Other Accounts and Records.

Accounts and records related to a Party's performance or satisfaction of its obligations under this Agreement other than those described in Article 25.4.1 of this Agreement shall be subject to audit as follows: (i) for an audit relating to cost obligations, the applicable audit rights period shall be twenty-four months after the auditing Party's receipt of an invoice giving rise to such cost obligations; and (ii) for an audit relating to all other obligations, the applicable audit rights period shall be twenty-four months after the event for which the audit is sought.

25.5 Audit Results.

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

ARTICLE 26. SUBCONTRACTORS

26.1 General.

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

liable to the other Parties for the performance of such subcontractor.

26.2 Responsibility of Principal.

The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. The hiring Party shall be fully responsible to the other Parties for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; *provided, however*, that in no event shall the NYISO or Connecting Transmission Owner be liable for the actions or inactions of Interconnection Customer or its subcontractors with respect to obligations of Interconnection Customer under Article 5 of this Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

26.3 No Limitation by Insurance.

The obligations under this Article 26 will not be limited in any way by any limitation of subcontractor's insurance.

ARTICLE 27. DISPUTES

27.1 Submission.

In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its 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 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 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 this Agreement.

27.2 External Arbitration Procedures.

Any arbitration initiated under this Agreement shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the Dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. In each case, the arbitrator(s) 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 Article 27, the terms of this Article 27 shall prevail.

27.3 Arbitration Decisions.

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change any provision of this Agreement in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, Attachment Facilities, System Upgrade Facilities, or System Deliverability Upgrades.

27.4 Costs.

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

27.5 Termination.

Notwithstanding the provisions of this Article 27, any Party may terminate this Agreement in accordance with its provisions or pursuant to an action at law or equity. The issue of whether such a termination is proper shall not be considered a Dispute hereunder.

ARTICLE 28. REPRESENTATIONS, WARRANTIES AND COVENANTS

28.1 General.

Each Party makes the following representations, warranties and covenants:

28.1.1 Good Standing.

Such Party is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the state or states in which the Facility, Attachment Facilities, System Upgrade Facilities, and System Deliverability Upgrades owned by such Party, as applicable, are located or interconnect; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted, to enter into this Agreement and carry out the transactions contemplated hereby, and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

28.1.2 Authority.

Such Party has the right, power and authority to enter into this Agreement, to become a Party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and

binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

28.1.3 No Conflict.

The execution, delivery and performance of this Agreement does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.

28.1.4 Consent and Approval.

Such Party has sought or obtained, or, in accordance with this Agreement will seek or obtain, each consent, approval, authorization, order, or acceptance by any Governmental Authority in connection with the execution, delivery and performance of this Agreement, and the Party will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

ARTICLE 29. MISCELLANEOUS

29.1 Binding Effect.

This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the Parties hereto.

29.2 Conflicts.

If there is a discrepancy or conflict between or among the terms and conditions of this cover agreement and the Appendices hereto, the terms and conditions of this cover agreement shall be given precedence over the Appendices, except as otherwise expressly agreed to in writing by the Parties.

29.3 Rules of Interpretation.

This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article of this Agreement

or such Appendix to this Agreement, or such Section to the Standard Interconnection Procedures or such Appendix to the Standard Interconnection Procedures, as the case may be; (6) “hereunder”, “hereof”, “herein”, “hereto” and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article or other provision hereof or thereof; (7) “including” (and with correlative meaning “include”) means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, “from” means “from and including”, “to” means “to but excluding” and “through” means “through and including”.

29.4 Compliance.

Each Party shall perform its obligations under this Agreement in accordance with Applicable Laws and Regulations, Applicable Reliability Requirements, the ISO OATT, ISO Procedures, and Good Utility Practice. To the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this Agreement for its compliance therewith. When any Party becomes aware of such a situation, it shall notify the other Parties promptly so that the Parties can discuss the amendment to this Agreement that is appropriate under the circumstances.

29.5 Joint and Several Obligations.

Except as otherwise stated herein, the obligations of NYISO, Interconnection Customer, and Connecting Transmission Owner are several, and are neither joint nor joint and several.

29.6 Entire Agreement.

This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party’s compliance with its obligations under this Agreement.

29.7 No Third Party Beneficiaries.

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

29.8 Waiver.

The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by any Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement for any reason by Interconnection

Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain Capacity Resource Interconnection Service and Energy Resource Interconnection Service from the NYISO and Connecting Transmission Owner in accordance with the provisions of the ISO OATT. Any waiver of this Agreement shall, if requested, be provided in writing.

29.9 Headings.

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

29.10 Multiple Counterparts.

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

29.11 Amendment.

The Parties may by mutual agreement amend this Agreement, by a written instrument duly executed by all three of the Parties.

29.12 Modification by the Parties.

The Parties may by mutual agreement amend the Appendices to this Agreement, by a written instrument duly executed by all three of the Parties. Such an amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

29.13 Reservation of Rights.

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

29.14 No Partnership.

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership among the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an

agent or representative of, or to otherwise bind, any other Party.

29.15 Other Transmission Rights.

Notwithstanding any other provision of this Agreement, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, or transmission congestion rights that Interconnection Customer shall be entitled to, now or in the future under any other agreement or tariff as a result of, or otherwise associated with, the transmission capacity, if any, created by the System Upgrade Facilities and System Deliverability Upgrades.

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

New York Independent System Operator, Inc.

By: _____

Name: _____

Title: _____

Date: _____

[Insert Name of Connecting Transmission Owner]

By: _____

Name: _____

Title: _____

Date: _____

[Insert Name of Interconnection Customer]

By: _____

Name: _____

Title: _____

Date: _____

APPENDICES

Appendix A	Facility, Attachment Facilities, and Upgrades
Appendix B	Milestones
Appendix C	Operating Requirements
Appendix D	Security Arrangements Details
Appendix E-1	Synchronization Date
Appendix E-2	Commercial Operation Date
Appendix F	Addresses for Delivery of Notices and Billings

APPENDIX A

FACILITY, ATTACHMENT FACILITIES, AND UPGRADES

1. Description of Facility

[Insert description of Facility]

2. Point(s) of Interconnection and Point(s) of Change of Ownership

(a) Point(s) of Interconnection (“POI”). *[Insert description of Point of Interconnection]*

(b) Point(s) of Change of Ownership (“PCO”). *[Insert description of Point of Change of Ownership]*

The POI and PCO are detailed on the simplified one-line diagram in Appendix A.

3. Attachment Facilities:

(a) [Interconnection Customer’s Attachment Facilities (“ICAFs”)]

[Insert description of any Interconnection Customer’s Attachment Facilities]

(b) [Connecting Transmission Owner’s Attachment Facilities (“CTOAFs”)]

[Insert description of any Connecting Transmission Owner’s Attachment Facilities]

4. System Upgrade Facilities (“SUFs”):

(a) Stand Alone System Upgrade Facilities

[Insert description of any Stand-Alone SUFs.]

(b) Other System Upgrade Facilities

[Insert description of any Other System Upgrade Facilities]

5. Distribution Upgrades

[Insert description of any Distribution Upgrades]

6. Affected Systems

[Insert description of any System Upgrade Facilities for Affected Systems and reference related Standard Upgrades Construction Agreement and Standard Multiparty Upgrades Construction Agreement]

7. System Deliverability Upgrades:

[Insert description of any System Deliverability Upgrade.]

8. Cost Estimates

[Insert cost table for Connecting Transmission Owner's Attachment Facilities and Upgrades drawn from the Class Year Study or Cluster Study]

9. Operating & Maintenance Expenses for CTOAFs

[Connecting Transmission Owner to insert operating and maintenance cost recovery requirements for Connecting Transmission Owner's Attachment Facilities.]

10. Developer's Estimated Tax Liability

[Pursuant to Section 5.17.4, to insert Interconnection Customer's estimated tax liability in the event taxes are imposed.]

11. Contingent Facilities

Figure A-1

Simplified One-Line Diagram

[Parties to insert simplified one-line diagram that clearly shows Facility, Attachment Facilities, Upgrades, POI, and PCO]

APPENDIX B

MILESTONES

1. Selected Option Pursuant to Article 5.1

[To specify which option Interconnection Customer selected pursuant to Article 5.1 concerning the CTOAFs and Stand-Alone SUFs.]

2. Milestones

[To insert]

3. Security

[Insert description of the Security form and amount provided by Interconnection Customer in the Class Year Study or Cluster Study for CTOAFs, SUFs, and/or SDUs and insert description of any additional Security required for CTOAFs in accordance with Section 11.5 of this Agreement.]

4. Site Control

Check box if applicable []

Interconnection Customer with qualifying regulatory limitations must demonstrate 100% Site Control by [NYISO to insert date 180 days from the Effective Date of this Agreement] or the Agreement may be terminated per Article [17] (Default) of this Agreement.

**APPENDIX C –
OPERATING REQUIREMENTS**

1. Interconnection Customer Operating Requirements

[To insert any additional operating requirements.]

2. *[Primary Frequency Response Operating Range]*

[To insert if applicable]

3. *[Operating Requirements Variations for Class Year Transmission Project or Cluster Study Transmission Project]*

[To insert if applicable]

APPENDIX D

SECURITY ARRANGEMENTS DETAILS

Infrastructure security of New York State Transmission System equipment and operations and control hardware and software is essential to ensure day-to-day New York State Transmission System reliability and operational security. The Commission will expect the NYISO, all Transmission Owners, all Developers and all other Market Participants to comply with the recommendations offered by the President's Critical Infrastructure Protection Board and, eventually, best practice recommendations from the electric reliability authority. All public utilities will be expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

APPENDIX E-1
SYNCHRONIZATION DATE

[Date]

[NYISO Address]

[Connecting Transmission Owner Address]

Re: _____ Facility

Dear _____:

On **[Date]** **[Interconnection Customer]** initially synchronized the Facility [specify units, if applicable]. This letter confirms that [Interconnection Customer]'s Synchronization Date was [specify].

Thank you.

[Signature]

[Interconnection Customer Representative]

APPENDIX E-2
COMMERCIAL OPERATION DATE

[Date]

[NYISO Address]

[Connecting Transmission Owner Address]

Re: _____ Facility

Dear _____:

On **[Date]** **[Interconnection Customer]** has completed Trial Operation of Unit No. _____. This letter confirms that **[Interconnection Customer]** commenced Commercial Operation of Unit No. _____ at the Facility, effective as of **[Date plus one day]**.

Thank you.

[Signature]

[Interconnection Customer Representative]

APPENDIX F – ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS

Notices:

NYISO:

[To be supplied.]

Connecting Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Billings and Payments:

Connecting Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Alternative Forms of Delivery of Notices (telephone or email):

NYISO:

[To be supplied.]

Connecting Transmission Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Appendix [*] to Attachment HH – Standard Upgrade Construction Agreement

SERVICE AGREEMENT NO. [*]

SERVICE AGREEMENT NO. [●]
STANDARD UPGRADE CONSTRUCTION AGREEMENT
AMONG THE
NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.,
AND
[INSERT SYSTEM OWNER]
AND
[INSERT INTERCONNECTION CUSTOMER]
Dated as of *[insert execution date]*
Project Name: *[insert project name]*
Queue Position No(s): *[insert queue number(s)]*

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Appendices

STANDARD UPGRADE CONSTRUCTION AGREEMENT

THIS STANDARD UPGRADE CONSTRUCTION AGREEMENT (“Agreement”) is made and entered into this ___ day of __ 20__, by and among: _____, a [corporate description] organized and existing under the laws of State/Commonwealth of _____ (“Interconnection Customer”), _____, a [corporate description] organized and existing under the laws of State/Commonwealth of _____ (“System Owner”), and 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”). Interconnection Customer, the NYISO, or System Owner each may be referred to as a “Party” or collectively referred to as the “Parties.”

RECITALS

[To insert one of the following recitals based on Interconnection Customer’s project:

Application 1:

WHEREAS, *Interconnection Customer is developing a [insert generation/transmission project] identified as [insert project name] with NYISO Queue Position No. [*] [(“Facility”)] that will interconnect to certain transmission facilities of [insert Connecting Transmission Owner’s name] (“Connecting Transmission Owner”) that are part of the New York State Transmission System or Distribution System;*

WHEREAS, *Interconnection Customer [has entered/will enter] into a Standard Interconnection Agreement with the NYISO and the Connecting Transmission Owner concerning the interconnection of the Facility;*

Application 2:

WHEREAS, *Interconnection Customer is an Affected System Interconnection Customer developing a [insert generation/transmission] project (“Facility”) that will interconnect in [insert name of host transmission region], which interconnection was studied by the NYISO through an Affected System Study for impacts on the New York State Transmission System or Distribution System with NYISO Queue Position No. [*];*

WHEREAS, *Interconnection Customer [has entered/will enter] into any required interconnection agreement for its Facility with the [insert name of host transmission region];*

[To insert one of the following alternatives based on the application of this Agreement:

Application 1:

WHEREAS, *the [Cluster Study/Class Year Interconnection Facilities Study for Class Year [insert Class Year]] has determined that certain System Upgrade Facilities are required to be constructed on the Affected System owned by the System Owner as the Affected System Operator to enable the Facility to interconnect reliably to the New York State Transmission System or*

Distribution System in a manner that meets the NYISO Minimum Interconnection Standard (“Upgrades”);

Application 2:

WHEREAS, the NYISO’s [Cluster Study Deliverability Study and/or Additional SDU Study (collectively, the “Cluster Study Deliverability Study”)/Class Year Deliverability Study and/or Additional SDU Study for Class Year [insert Class Year] (collectively, the “Class Year Deliverability Study”)] determined that certain System Deliverability Upgrades are required to be constructed on the Affected System owned by the System Owner as the Affected System Operator to enable the Facility to interconnect reliably to the New York State Transmission System or Distribution System in a manner that meets the NYISO Deliverability Interconnection Standard at the Facility’s requested level of Capacity Resource Interconnection Service (“Upgrades”);]

Application 3:

WHEREAS, the NYISO’s Affected System Study determined that certain Affected System Network Upgrades are required to be constructed on the Affected System owned by they System Owner as the Affected System Operator in connection with the Facility’s interconnection in [insert name of host transmission region];

WHEREAS, the [Cluster Study/ Cluster Study Deliverability Study/Class Year Interconnection Facilities Study/ Class Year Deliverability Study/Affected System Study] has determined the cost estimate for the engineering, procurement, and construction of the Upgrades (“Upgrades Estimated Total Cost Amount”);

WHEREAS, Interconnection Customer and System Owner desire to [perform/have Interconnection Customer perform/have System Owner perform], and [they are willing to perform/Interconnection Customer is willing to perform/System Owner is willing to perform], the engineering, procurement, and construction services required to construct the Upgrades (“Construction Services”) in accordance with the terms and conditions hereinafter set forth; and

WHEREAS, Interconnection Customer, System Owner, and the NYISO have agreed to enter into this Agreement for the purpose of allocating the responsibilities for the performance and oversight of the Construction Services required to construct the Upgrades;

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

ARTICLE 1. DEFINITIONS

Whenever used in this Agreement with initial capitalization, the following terms shall have the meanings specified in this Article 1. Terms used in this Agreement with initial capitalization that are not defined in this Article 1 shall have the meanings specified in Section 1 of the OATT, Section 40.1 of Attachment HH to the OATT, Section 30.1 of Attachment X to the ISO OATT, Section 25.1.2 of Attachment S to the OATT, the body of the Standard Interconnection Procedures or Standard Facility Interconnection Procedures, or the body of this Agreement.

Affected System shall mean an electric system within the New York Control Area other than the transmission system owned, controlled or operated by the Connecting Transmission Owner that may be affected by the proposed interconnection.

Affected System Interconnection Customer shall mean any entity that submits an interconnection request for a Facility to a transmission system other than New York State Transmission System that may cause the need for Affected System Network Upgrades on the New York State Transmission System.

Affected System Network Upgrades shall mean the additions, modifications, and upgrades to the New York State Transmission System required to accommodate Affected System Interconnection Customer's proposed interconnection to a transmission system other than the New York State Transmission System.

Affected System Operator shall mean the entity that operates an Affected System. Affected System Operator includes the Affected Transmission Owners.

Affected System Study shall mean the NYISO's evaluation of the impacts on the New York State Transmission System of an Affected System Interconnection Customer's proposed interconnection to a transmission system other than the New York State Transmission System, as described in Section 40.8.3 of Attachment HH to the OATT.

Affected Transmission Owner shall mean the New York public utility or authority (or its designated agent) other than the Connecting Transmission Owner that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the ISO OATT, and (ii) owns, leases or otherwise possesses an interest in a portion of the New York State Transmission System where System Deliverability Upgrades, System Upgrade Facilities, Affected Network Upgrade Facilities, or Network Upgrade Facilities are or will be installed pursuant to Attachments P, S, X, Z, or HH to the ISO OATT.

Affiliate shall mean, with respect to a person or entity, any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust or unincorporated organization, directly or indirectly controlling, controlled by, or under common control with, such person or entity. The term "control" shall mean the possession, directly or indirectly, of the power to direct the management or policies of a person or an entity. A voting interest of ten percent or more shall create a rebuttable presumption of control.

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 Electric Reliability Organization, the NPCC and the NYSRC.

Applicable Reliability Requirements shall mean the NYSRC Reliability Rules, and other criteria, standards and procedures, as described in Section [40.12.1.2] of this Attachment HH, applied when conducting the Cluster Baseline Assessment and the Cluster Project Assessment;

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 Standard Interconnection Procedures. The Applicable Reliability Requirements applied are those in effect when the particular assessment is commenced.

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

Breaching Party shall mean a Party that is in Breach of this Agreement.

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

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

Class Year Interconnection Facilities Study (“Class Year Study”) shall mean a study conducted by the NYISO or a third party consultant for the Interconnection Customer to determine a list of facilities (including Connecting Transmission Owner’s Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades 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 Class Year Transmission Project with the New York State Transmission System or with the Distribution System. The scope of the study is defined in Section 30.8 of the Large Facility Interconnection Procedures in Attachment X to the ISO OATT.

Class Year Transmission Project shall mean an Interconnection Customer’s proposed new transmission facility that will interconnect to the New York State Transmission System or a proposed upgrade—an improvement to, addition to, or replacement of a part of an existing transmission facility—to the New York State Transmission System, for which (1) the Interconnection Customer is eligible to request and does request Capacity Resource Interconnection Service, subject to the eligibility requirements set forth in the ISO Procedures; or (2) the Interconnection Customer requests only Energy Resource Interconnection Service and the transmission facility for which it requests Energy Resource Interconnection Service is a transmission facility over which power flow can be directly controlled by power flow control devices directly connected to the Class Year Transmission Project without having to re-dispatch generation. Class Year Transmission Projects shall not include Attachment Facilities, Network Upgrade Facilities, System Upgrade Facilities or System Deliverability Upgrades.

Cluster Study shall mean the study conducted, as applicable, by the ISO, Connecting Transmission Owner, Affected Transmission Owner, Affected System Operator or a third party consultant for the Interconnection Customer to determine a list of facilities (including Connecting Transmission Owner’s Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades), the cost of those facilities, and the time required to interconnect the Generating Facility or Cluster Study Transmission Project with the New York State Transmission System or with the Distribution System. The Cluster Study includes the Phase 1 Study and the Phase 2 Study.

Cluster Study Transmission Project shall mean an Interconnection Customer’s proposed new transmission facility that will interconnect to the New York State Transmission System or a

proposed upgrade—an improvement to, addition to, or replacement of a part of an existing transmission facility—to the New York State Transmission System, for which (1) the Interconnection Customer is eligible to request and does request Capacity Resource Interconnection Service, subject to the eligibility requirements set forth in the ISO Procedures; or (2) the Interconnection Customer requests only Energy Resource Interconnection Service and the transmission facility for which it requests Energy Resource Interconnection Service is a transmission facility over which power flow can be directly controlled by power flow control devices directly connected to the Cluster Study Transmission Project without having to re-dispatch generation. Cluster Study Transmission Projects shall not include Attachment Facilities, Network Upgrade Facilities, System Upgrade Facilities or System Deliverability Upgrades.

Completion Date shall mean the date on which, as applicable, the System Owner or Interconnection Customer has completed the Construction Services, as set forth in Appendix A.

Confidential Information shall mean any information that is defined as confidential by Article 15 of this Agreement.

Connecting Transmission Owner shall have the meaning set forth in the recitals.

Construction Services shall have the meaning set forth in the recitals and shall consist of the services described in Appendix A.

Default shall mean the failure of a Party in Breach of this Agreement to cure such Breach in accordance with Article 10 of this Agreement.

Distribution System shall mean the Connecting Transmission Owner's facilities and equipment used to distribute electricity that are subject to FERC jurisdiction, and are subject to the NYISO's Standard Interconnection Procedures in Attachment HH under FERC Order Nos. 2003 and/or 2006. The term Distribution System shall not include LIPA's distribution facilities.

Effective Date shall mean the date on which this Agreement becomes effective in accordance with Article 2.1 of this Agreement.

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

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

Facility shall mean, as applicable, the Generating Facility, Class Year Transmission Project, or Cluster Study Transmission Project interconnecting to the New York State Transmission System or Distribution System or, for an Affected System Interconnection Customer, the generation or transmission facility interconnecting to another region's transmission system. For purpose of this agreement, the Facility is the generation or transmission facility identified in the Recitals.

Federal Power Act shall mean the Federal Power Act, as amended, 16 U.S.C. §§ 791a *et seq.* ("FPA").

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

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

Generating Facility shall mean Interconnection Customer’s device(s) for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer’s Attachment Facilities or Distribution Upgrades. A facility comprised of multiple Generators will be treated as a single Generating Facility if the facility proposed in the Interconnection Request is comprised of multiple Generators behind a single Point of Interconnection, even if such Generators are different technology types.

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

Governmental Authority shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over 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 Interconnection Customer, the NYISO, Affected Transmission Owner, Affected System Operator, Connecting Transmission Owner, or any Affiliate thereof.

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

In-Service Date shall mean the date upon which the Upgrades are energized consistent with the provisions of this Agreement, notice of which must be provided to the other Parties by, as applicable, the Interconnection Customer or System Owner in the form of Appendix C.

Interconnection Agreement shall mean, as applicable, the Standard Interconnection Agreement or Standard Large Generator Interconnection Agreement, or, if a Facility is interconnecting to another region's transmission system, the interconnection agreement entered into in that region.

Interconnection Customer shall mean, as applicable, an Interconnection Customer as defined in Attachment HH to the ISO OATT, a Developer as defined in Attachments S and X of the ISO OATT, or an Affected System Interconnection Customer as defined in Attachment HH to the ISO OATT. For purposes of this Agreement, the Interconnection Customer shall have the meaning set forth in the introductory paragraph.

Interconnection Request shall mean Interconnection Customer's request, in the form of Appendix 1 to Attachment X to the ISO OATT or Appendix 1 to Attachment HH to the ISO OATT, to interconnect a new Facility to the New York State Transmission System or to the Distribution System, or to materially increase the capacity of, or make a material modification to the operating characteristics of, an existing Facility that is interconnected with the New York State Transmission System or with the Distribution System. For purposes of the Interconnection Request, a facility comprised of multiple Generators behind the same Point of Interconnection may be considered a single Generating Facility, provided the Interconnection Request identifies a single Interconnection Customer.

IRS shall mean the Internal Revenue Service.

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

ISO OATT shall mean the NYISO's Open Access Transmission Tariff, as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff.

Milestones shall mean the milestones for the performance of the Construction Services, as set forth in Appendix A.

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

Notice of Dispute shall mean a written notice of a dispute or claim pursuant to Article 20 of this Agreement that arises out of or in connection with this Agreement or its performance.

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

NYISO Tariffs shall mean the ISO OATT and ISO Services Tariff.

NYSRC shall mean the New York State Reliability Council or its successor organization.

Party or Parties shall have the meaning set forth in the introductory paragraph.

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

Standard Upgrade Construction Agreement shall mean this Agreement.

System Deliverability Upgrades shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with Good Utility Practice and Applicable Reliability Requirements, to make the modifications or additions to Byways and Highways and Other Interfaces on the existing New York State Transmission System and Distribution System that are required for the proposed project to connect reliably to the system in a manner that meets the NYISO Deliverability Interconnection Standard at the requested level of Capacity Resource Interconnection Service.

System Owner shall mean, as applicable, the Affected System Operator, Affected Transmission Owner, or Connecting Transmission Owner. For purposes of this Agreement, the System Owner shall be defined in the introductory paragraph.

System Upgrade Facilities shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with Good Utility Practice and Applicable Reliability Requirements, to make the modifications to the existing transmission system that are required to maintain system reliability due to: (i) changes in the system including such changes as load growth and changes in load pattern, to be addressed in the form of generic generation or transmission projects in accordance with Section [40.9.5] of Attachment HH to the ISO OATT; and (ii) proposed interconnections. In the case of proposed interconnection projects, System Upgrade Facilities are the modifications or additions to the existing New York State Transmission System that are required for the proposed project to connect reliably to the system in a manner that meets the NYISO Minimum Interconnection Standard.

Upgrades shall mean, as applicable, System Upgrade Facilities, System Deliverability Upgrade Facilities, or Affected Network Upgrade Facilities. For purposes of this Agreement, the Upgrades shall have the meaning set forth in the recitals and shall be described in Appendix A.

Upgrades Estimated Total Cost Amount shall have the meaning set forth in the recitals, which costs are specified in Appendix A.

ARTICLE 2. EFFECTIVE DATE, TERM AND TERMINATION

Effective Date.

This Agreement shall become effective upon the date of execution by the Parties, subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC. The NYISO, and if applicable, the Affected Transmission Owner, shall promptly file this Agreement with FERC upon execution, if required, in accordance with the requirements in the OATT. Interconnection Customer and System Owner shall reasonably cooperate with the NYISO with respect to the filing of this Agreement with FERC and provide any information reasonably requested by the NYISO needed for such filing.

Term of Agreement.

Subject to the provisions of Article 2.3, this Agreement shall remain in effect until the later of: (i) the Completion Date, and (ii) the date on which the final payment of all invoices issued under this Agreement have been made pursuant to Articles 6.1 and 6.3 and any remaining Security has been released or refunded pursuant to Article 6.2.

2.2

Termination.

Completion of Term of Agreement

2.3 This Agreement shall terminate upon the completion of the term of the Agreement pursuant to Article 2.2.

2.3.1

Written Notice.

2.3.2 This Agreement may be terminated:

(i) by the mutual agreement in writing of all of the Parties; or

(ii) by the NYISO and System Owner if the Standard Interconnection Agreement for the Facility is terminated in accordance with the requirements in the Standard Interconnection Agreement.

[If this agreement concerns the construction of Affected Network Upgrade Facilities, replace (ii) with the following:

(ii) by the NYISO and System Owner upon their receipt of notification by the Interconnection Customer that the interconnection agreement for its Facility has been terminated in accordance with the requirements in its host transmission region or, if an interconnection agreement is not required for its Facility, that its Facility has ceased development or operation in accordance with the requirements of its host transmission region];

[If this agreement concerns the construction of a Highway System Deliverability Upgrade, replace (ii) with the following:

2.3.3 *(ii) by the NYISO after giving the other Parties thirty (30) Calendar Days advance written notice following its determination that the threshold for triggering the construction of the Upgrades set forth in, as applicable, Section 25.7.12.3.1 of Attachment S or Section 40.13.12.3.1 of Attachment HH to the OATT is no longer met.]*

Default.

Any Party may terminate this Agreement to the extent permitted under Article 10 and Article 20.

Compliance.

Notwithstanding Articles 2.3.1, 2.3.2, and 2.3.3, no termination of this Agreement shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, including the filing with FERC of a notice of termination of this Agreement, which notice has been accepted for filing by FERC.

Termination Costs.

If this Agreement is terminated pursuant to Articles 2.3.2 or 2.3.3 above, the Interconnection Customer shall be responsible for all costs that are the responsibility of the Interconnection customer under this Agreement that are incurred by the Interconnection Customer or other Parties through the date the Parties agree in writing to terminate the agreement or through the date of the Interconnection Customer's receipt of a notice of termination. Such costs include any cancellation costs relating to orders or contracts concerning the Construction Services or Upgrades. In the event of termination, all Parties shall use commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this Agreement, unless otherwise ordered or approved by FERC:

With respect to any portion of the Upgrades for which the System Owner or Interconnection Customer (the "Constructing Party") are responsible for constructing or installing under this Agreement and that have not yet been constructed or installed, the Constructing Party shall, to the extent possible and with the other Party's (*i.e.*, the System Owner or Interconnection Customer, as applicable) authorization, cancel any pending orders of, or return, any materials or equipment for, or contracts for construction of, the Upgrades; provided that in the event the other Party elects not to authorize such cancellation, the other Party shall assume all payment obligations with respect to such materials, equipment, and contracts, and the Constructing Party shall deliver such material and equipment, and, if necessary, assign such contracts, to the other Party as soon as practicable, at the other Party's expense. To the extent that the other Party has already paid the Constructing Party for any or all such costs of materials or equipment not taken by the other Party, the Constructing Party shall promptly refund such amounts to the other Party, less any costs, including penalties incurred by the Constructing Party to cancel any pending orders of or return such materials, equipment, or contracts.

The Constructing Party may, at its option, retain any portion of such materials or equipment that the other Party chooses not to accept delivery of, in which case the Constructing Party shall be responsible for all costs associated with procuring such materials or equipment.

With respect to any portion of the Construction Services already performed pursuant to the terms of this Agreement, Interconnection Customer shall be responsible for all costs associated with the removal, relocation or other disposition or retirement of such related materials, equipment, or facilities and such other expense actually incurred by System Owner to return its system to safe and reliable operation.

Survival.

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

2.6 No Annexation.

Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed by the Party providing such equipment and the Party receiving such equipment.

ARTICLE 3. CONSTRUCTION SERVICES

Performance of Construction Services.

3.1 System Owner shall be responsible for performing the Construction Services unless System Owner and Interconnection Customer agree for Interconnection Customer to perform such services. System Owner's and Interconnection Customer's respective obligations concerning the Construction Services shall be set forth in Appendix A hereto. System Owner and Interconnection Customer shall each use Reasonable Efforts to complete the Construction Services for which it has responsibility by the Milestone dates set forth in Appendix A hereto. The System Owner shall not be required to undertake any action which is inconsistent with the System Owner's standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, and Applicable Laws and Regulations. The NYISO has no responsibility, and shall have no liability, for the performance of any of the

3.2 Construction Services under this Agreement.

General Conditions Applicable to Interconnection Customer's Performance of the Construction Services.

3.2.1 If System Owner and Interconnection Customer agree pursuant to Section 3.1 for Interconnection Customer to be responsible for the design, procurement, and/or construction of any Upgrades as set forth in Appendix A, the following conditions apply:

Interconnection Customer shall engineer, procure equipment, and construct the Upgrades (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by System Owner;

Interconnection Customer's engineering, procurement and construction of the Upgrades shall comply with all requirements of law to which System Owner would be subject in the engineering, procurement or construction of the Upgrades;

System Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of the Upgrades;

Prior to the commencement of construction, Interconnection Customer shall provide System Owner and NYISO a schedule for construction of the Upgrades, and shall promptly respond to requests for information from System Owner or NYISO;

At any time during construction, System Owner shall have the right to gain unrestricted access to the Upgrades and to conduct inspections of the same;

At any time during construction, should any phase of the engineering, equipment procurement, or construction of the Upgrades not meet the standards and specifications provided by System Owner, Interconnection Customer shall be obligated to remedy deficiencies in that portion of the Upgrades;

Interconnection Customer shall indemnify System Owner and NYISO for claims arising from Interconnection Customer's construction of Upgrades under procedures applicable to Article 11.1 Indemnity;

Interconnection Customer shall transfer control of Upgrades to System Owner;

Unless Interconnection Customer and System Owner otherwise agree, Interconnection Customer shall transfer ownership of Upgrades to System Owner;

System Owner shall approve and accept for operation and maintenance the Upgrades to the extent engineered, procured, and constructed in accordance with this Article

Interconnection Customer shall deliver to NYISO and System Owner "as built" drawings, information, and any other documents that are reasonably required by NYISO or System Owner to assure that the Upgrades are built to the standards and specifications required by System Owner; and

Interconnection Customer shall pay the System Owner the agreed upon amount of [\$ PLACEHOLDER] for the System Owner to execute the responsibilities enumerated to System Owner under Article 3.2. System Owner shall invoice Interconnection Customer for this total amount to be divided on a monthly basis pursuant to Article 6.

Design and Equipment Procurement

If responsibility for construction of the Upgrades is to be borne by the System Owner, then the System Owner shall commence the design and procurement of the Upgrades for which it

is responsible as soon as practicable after all of the following conditions are satisfied, unless the Interconnection Customer and System Owner otherwise agree in writing:

3.5.1 NYISO has completed, as applicable, the Class Year Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Affected System Study;

3.5.2 The NYISO has completed the required cost allocation analyses, and Interconnection Customer has accepted its Project Cost Allocation for the Upgrades required for the Facility in accordance with the provisions of Attachment S or HH of the ISO OATT.

3.5.3 System Owner has received written authorization to proceed with design and procurement of the Upgrades from the Interconnection Customer by the date specified in Appendix A hereto; and

3.5.4 Interconnection Customer has provided Security to the System Owner for the design and procurement of the Upgrades in accordance with Article 5 by the date(s) specified in Appendix A hereto.

Construction Commencement

3.4

System Owner shall commence construction of the Upgrades for which it is responsible as soon as practicable after the following additional conditions are satisfied.

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

3.4.2 Necessary real property rights and rights-of-way have been obtained, to the extent required, for the construction of a discrete aspect of the Upgrades;

3.4.3 System Owner has received written authorization to proceed with construction from the Interconnection Customer by the date specified in Appendix A hereto; and

3.5 3.6.4 Interconnection Customer has provided security to the System Owner for the construction of the applicable facilities in accordance with Article 5.2 by the date(s) specified in Appendix A hereto.

Work Progress.

3.6 The Interconnection Customer and System Operator will keep each other, and NYISO, advised periodically as to the progress of its respective design, procurement and construction efforts. Any Party may, at any time, request a progress report from the Interconnection Customer or System Owner.

Information Exchange.

As soon as reasonably practicable after the Effective Date, Interconnection Customer and System Owner shall exchange information, and provide NYISO the same information, regarding

the design of the Upgrades and compatibility of the Upgrades with the New York State Transmission System and shall work diligently and in good faith to make any necessary design changes. Interconnection Customer shall inform the System Owner and NYISO of any termination of the Interconnection Agreement for the Facility within ten (10) Calendar Days of the termination of the Interconnection Agreement.

Ownership and Control of Upgrades.

System Owner shall own the Upgrades as described in Appendix A. The System Owner's and, if applicable, NYISO's operational control of the Upgrades upon the completion of the facilities shall be described in Appendix A.

3.7

Access Rights.

Upon reasonable notice and supervision by the Granting Party, and subject to any required or necessary regulatory approvals, either the System Owner or Interconnection Customer ("Granting Party") shall furnish to the other of those two Parties ("Access Party") at no cost any rights of use, licenses, rights of way and easements with respect to lands owned or controlled by the Granting Party, its agents (if allowed under the applicable agency agreement), or any Affiliate, that are necessary to enable the Access Party to obtain the ingress and egress required for the performance of the Construction Services, including to construct, repair, test (or witness testing), inspect, replace or remove the Upgrades. In exercising such licenses, rights of way and easements, the Access Party shall not unreasonably disrupt or interfere with normal operation of the Granting Party's business and shall adhere to the safety rules and procedures established in advance, as may be changed from time to time, by the Granting Party and provided to the Access Party. The Access Party shall indemnify the Granting Party against all claims of injury or damage from third parties resulting from the exercise of the access rights provided for herein.

3.8
3.9

Lands of Other Property Owners.

If any part of the Upgrades will be installed on property owned by persons other than the Interconnection Customer or System Owner, the System Owner shall at Interconnection Customer's expense use efforts, similar in nature and extent to those that it typically undertakes for its own or affiliated generation, including use of its eminent domain authority, and to the extent consistent with state law, to procure from such persons any rights of use, licenses, rights of way and easements that are necessary for the performance of the Construction Services upon such property by the System Owner or Interconnection Customer, including to construct, repair, operate, maintain, test (or witness testing), inspect, replace or remove the Upgrades.

3.10

Permits.

NYISO, Interconnection Customer, and System Owner shall cooperate with each other in good faith in obtaining all permits, licenses and authorizations that are necessary to accomplish the Construction Services in compliance with Applicable Laws and Regulations. With respect to this paragraph, System Owner shall provide permitting assistance to the Interconnection Customer comparable to that provided to System Owner's own, or an Affiliate's, generation or transmission facilities, if any.

Suspension

Interconnection Customer reserves the right, upon written notice to System Owner and NYISO, to suspend at any time all work by System Owner or Interconnection Customer, as applicable, associated with the construction and installation of the Upgrades required for only that Interconnection Customer's Facility, with the condition that the New York State

- 3.11 Transmission System shall be left in a safe and reliable condition in accordance with Good Utility Practice and the safety and reliability criteria of System Owner and NYISO. In such event, such Interconnection Customer shall be responsible for all reasonable and necessary costs and/or obligations in accordance with Attachment S or HH to the ISO OATT including those which System Owner (i) has incurred pursuant to this Agreement prior to the suspension and (ii) incurs as a result of the suspension of such work, including any costs incurred by System Owner to perform such work as may be necessary to ensure the safety of persons and property and the integrity of the New York State Transmission System during such suspension and, if applicable, any costs incurred by System Owner in connection with the cancellation or suspension of material, equipment and labor contracts which System Owner cannot reasonably avoid; provided, however, that prior to canceling or suspending any such material, equipment or labor contract, System Owner shall obtain such Interconnection Customer's authorization to do so.

System Owner shall invoice Interconnection Customer for such costs pursuant to Article 6 and shall use due diligence to minimize its costs. If Interconnection Customer suspends work required under this Agreement pursuant to this Article 3.11, and has, as applicable, either not recommenced work or requested System Owner to recommence its work required under this Agreement on or before the expiration of three (3) years following commencement of such suspension, this Agreement shall be deemed terminated. The three-year period shall begin on the date the suspension is requested, or the date of the written notice to System Owner and NYISO, if no effective date is specified.

3.12

Taxes.

3.13[*]

3.13.1

Tax Status; Non-Jurisdictional Entities.

Tax Status.

Each Party shall cooperate with the other Parties to maintain the other Parties' tax status. Nothing in this Agreement is intended to adversely affect the tax status of any Party including the status of NYISO, or the status of System Owner with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds. Notwithstanding any other provisions of this Agreement, LIPA, NYPA and Consolidated Edison Company of New York, Inc. shall not be required to comply with any provisions of this Agreement that would result in the loss of tax-exempt status of any of their Tax-Exempt Bonds or impair their ability 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.

Tax Status.

LIPA and NYPA do not waive their exemptions, pursuant to Section 201(f) of the FPA, from Commission jurisdiction with respect to the Commission's exercise of the FPA's general ratemaking authority.

3.13.2

Modification.

General

3.14 If, prior to the In-Service Date, the System Owner proposes to modify the Upgrades, the System Owner must provide to the NYISO at least ninety (90) Calendar Days in advance of the commencement of the work, or such shorter period upon which the Parties may agree, sufficient information for the NYISO to evaluate the impact of the proposed modification on, as applicable: (i) the reliable interconnection of Interconnection Customer's Facility to the New York State Transmission System or (ii) the reliability of the New York State Transmission System due to the Facility's interconnection to another region's transmission system. The NYISO's agreement to the proposed modification shall not be unreasonably withheld, conditioned, or delayed if the proposed modification is reasonably related to the interconnection of the Facility and will enable Interconnection Customer's Facility to reliably interconnect to the New York State Transmission System or ensure the reliability of the New York State Transmission System of the Facility's interconnection to another region's transmission system. If the cost of the modified Upgrades is greater than the estimated cost identified in the applicable Class Year Interconnection Facility Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Additional System Study, the additional cost will be allocated in accordance with, as applicable, Sections 25.6.14.1 and 25.8.6 of Attachment S or Sections 40.12.1.5.1 and 40.16.3 of Attachment HH of the ISO OATT.

3.14.2

Standards.

3.14.3 Any additions, modifications, or replacements made to a Party's facilities shall be designed, constructed and operated in accordance with this Agreement, NYISO requirements and Good Utility Practice.

Modification Costs.

Interconnection Customer shall not be assigned the costs of any additions, modifications, or replacements that System Owner makes to the Upgrades or the New York State Transmission System to facilitate the interconnection of a third party to the Upgrades or the New York State Transmission System, or to provide Transmission Service to a third party under the ISO OATT, except in accordance with the cost allocation procedures in Attachment S or HH of the ISO OATT.

ARTICLE 4. TESTING AND INSPECTION

Initial Testing and Modifications.

- Prior to the In-Service Date of the Upgrades, the System Owner or Interconnection Customer, as specified in Appendix A, shall test the Upgrades to ensure their safe and reliable operation. The Party responsible for constructing the Upgrades shall make any modifications to the Upgrades that are found to be necessary as a result of such testing. Interconnection Customer shall bear the cost of all such testing and modifications
- 4.1

Right to Observe Testing.

- The Party performing the testing shall notify the other Parties in advance of its performance of tests of the Upgrades. Each of the other Parties shall have the right, at its own expense, to observe such testing.
- 4.2

ARTICLE 5. PERFORMANCE OBLIGATIONS

Cost Responsibilities

- Interconnection Customer and/or System Owner, as specified in Appendix A, shall perform the Construction Services at Interconnection Customer's sole expense up to the Upgrades Estimated Total Cost Amount. Interconnection Customer's and System Owner's respective responsibilities for the cost of the Construction Services greater than the Upgrades Estimated Total Costs Amount shall be determined in accordance with, as applicable, Section 25.8.6 of Attachment S or Section [*] of Attachment HH to the OATT.
- 5.1

- 5.2
- ### **Provision and Application of Security**

5.2.1 If Interconnection Customer accepted its Project Cost Allocation and posted to System Owner the Security for its Upgrades at the conclusion of, as applicable, the Class Year Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Affected System Study, then Interconnection Customer shall not be responsible for posting additional Security under this Agreement. Interconnection Customer's Security shall be subject to the requirements of Attachment S or HH to the ISO OATT.

5.2.2 If Interconnection Customer was not required to post Security to the System Owner at the conclusion of, as applicable, the Class Year Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Affected System Study, then at least thirty (30) Calendar Days prior to the System Owner's commencement of the procurement, installation, or construction of a discrete portion of the Upgrades as such portion(s) are detailed in the Milestones in Appendix A, Interconnection Customer shall provide System Owner, at Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to System Owner and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 7.2 of this Agreement. Such security for payment shall be in an amount sufficient to cover the costs for Interconnection Customer's share of constructing, procuring and installing the applicable portion of the Upgrades, and shall be reduced on a dollar-for-dollar basis for payments made to System Owner for these purposes.

In addition:

5.5.1 The guarantee must be made by an entity that meets the commercially reasonable creditworthiness requirements of System Owner, and contains terms and conditions that guarantee payment of any amount that may be due from Interconnection Customer, up to an agreed-to maximum amount.

5.5.2 The letter of credit must be issued by a financial institution reasonably acceptable to System Owner and must specify a reasonable expiration date.

5.5.3 The surety bond must be issued by an insurer reasonably acceptable to System Owner and must specify a reasonable expiration date.

ARTICLE 6. INVOICE

General.

6.1 To the extent that any amounts are due to the Interconnection Customer or System Owner under this Agreement, the Interconnection Customer and System Owner, as applicable, shall submit to the other Party, on a monthly basis, invoices of amounts due for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. The Interconnection Customer and System Owner may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts one Party owes to the other Party under this Agreement, including interest payments or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

6.2

Final Invoice and Refund of Remaining Security/Overpayment Amount

6.3 Within one hundred eighty (180) Calendar Days of the Completion Date, Interconnection Customer or System Owner, as applicable, shall provide a final invoice to the other Party of any remaining amounts due associated with the Construction Services. Within thirty (30) Calendar Days of the later of: (i) Interconnection Customer's payment of any final invoice to the System Owner, and (ii) the completion of the Construction Services, System Owner shall release or refund to the Interconnection Customer any remaining portions of its Security and any amount that Interconnection Customer has overpaid under this Article 6.

Payment.

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

Disputes.

6.4 In the event of a billing dispute between Parties, the Party owed money shall continue to perform under this Agreement as long as the other Party: (i) continues to make all payments not in dispute; and (ii) pays to the Party owed money or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If the Party that owes money fails to meet these two requirements for continuation of service, then the Party owed money may provide notice to the other Party of a Default pursuant to Article 10. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's Regulations at 18 C.F.R. § 35.19a(a)(2)(iii).

ARTICLE 7. REGULATORY REQUIRMENTS AND GOVERNING LAW

Regulatory Requirements

7.1 Each Party's obligations under this Agreement shall be subject to its receipt of any required approval or certificate from one or more Governmental Authorities in the form and substance satisfactory to the applying Party, or the Party making any required filings with, or providing notice to, such Governmental Authorities, and the expiration of any time period associated therewith. Each Party shall in good faith seek and use its Reasonable Efforts to obtain such other approvals. Nothing in this Agreement shall require a Party to take any action that could result in its inability to obtain, or its loss of, status or exemption under the Federal Power Act or the Public Utility Holding Company Act of 2005 or the Public Utility Regulatory Policies Act of 1978, as amended.

7.2

Governing Law.

7.2.1

The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the state of New York, without regard to its conflicts of law principles.

7.2.3

This Agreement is subject to all Applicable Laws and Regulations.

8.1 Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

ARTICLE 8. NOTICES

General.

Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by a Party to the other Parties and any instrument required or permitted to be tendered or delivered by a Party in writing to the other Parties shall be effective when delivered and may be so given, tendered or delivered, by recognized national courier, or by depositing the same with the United States Postal Service with postage prepaid, for delivery by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out in Appendix B hereto.

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

Billings and Payments.

Billings and payments shall be sent to the addresses set out in Appendix B hereto.

Alternative Forms of Notice.

8.2

Any notice or request required or permitted to be given by a Party to the other Parties and not required by this Agreement to be given in writing may be so given by telephone or email to

8.3 the telephone numbers and email addresses set out in Appendix B hereto.

ARTICLE 9. FORCE MAJEURE

Economic hardship is not considered a Force Majeure event. A Party shall not be responsible or liable, or deemed, in Default with respect to any obligation hereunder, other than the obligation to pay money when due, to the extent the Party is prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Parties in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this Article shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

10.1 ARTICLE 10. DEFAULT

General.

No Breach shall exist where such failure to discharge an obligation (other than the payment of money) is the result of Force Majeure as defined in this Agreement or the result of an act or omission of the other Parties. Upon a Breach, the non-Breaching Parties shall give written notice of such to the Breaching Party. The Breaching Party shall have thirty (30) Calendar Days from receipt of the Breach notice within which to cure such Breach; provided however, if such

10.2 Breach is not capable of cure within thirty (30) Calendar Days, the Breaching Party shall commence such cure within thirty (30) Calendar Days after notice and continuously and diligently complete such cure within ninety (90) Calendar Days from receipt of the Breach notice; and, if cured within such time, the Breach specified in such notice shall cease to exist.

Right to Terminate.

If a Breach is not cured as provided in this Article 10, or if a Breach is not capable of being cured within the period provided for herein, the non-Breaching Parties acting together shall

thereafter have the right to declare a Default and terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not those Parties terminate this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which they are entitled at law or in equity. The provisions of this Article will survive termination of this Agreement.

ARTICLE 11. INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE

Indemnity.

Each Party (the “Indemnifying Party”) shall at all times indemnify, defend, and save harmless, as applicable, the other Parties (each an “Indemnified Party”) from, any and all 11.1 damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, the alleged violation of any Environmental Law, or the release or threatened release of any Hazardous Substance, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties (any and all of these a “Loss”), arising out of or resulting from (i) the Indemnified Party’s performance of its obligations under this Agreement on behalf of the Indemnifying Party, except in cases where the Indemnifying Party can demonstrate that the Loss of the Indemnified Party was caused by the gross negligence or intentional wrongdoing of the Indemnified Party or (ii) the violation by the Indemnifying Party of any Environmental Law or the release by the Indemnifying Party of any Hazardous Substance.

11.1.1 Indemnified Party.

If a Party is entitled to indemnification under this Article 11 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 11.1.3, to assume the defense of such claim, such Indemnified Party may at the expense of the Indemnifying Party contest, settle or consent to the entry of any judgment with 11.1.2 respect to, or pay in full, such claim.

Indemnifying Party.

If an Indemnifying Party is obligated to indemnify and hold any Indemnified Party 11.1.3 harmless under this Article 11, the amount owing to the Indemnified Party shall be the amount of such Indemnified Party’s actual Loss, net of any insurance or other recovery.

Indemnity Procedures.

Promptly after receipt by an Indemnified Party of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in Article 11.1 may apply, the Indemnified Party shall notify the Indemnifying Party of such fact. Any failure of or delay in such notification shall not affect a Party’s indemnification obligation unless such failure or delay is materially prejudicial to the Indemnifying Party.

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

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

11.2 No Consequential Damages.

Other than the indemnity obligations set forth in Article 11.1, in no event shall any Party be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to another Party under separate agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

Insurance.

[If System Owner and Interconnection Customer agree pursuant to Article 3.1 of this Agreement for Interconnection Customer to be responsible for any of the Construction Services under this Agreement, the insurance requirements in this Article 11.3 shall be applicable to Interconnection Customer as well.]

The System Owner and, if applicable, Interconnection Customer shall, at its own expense, procure and maintain in force throughout the period of this Agreement and until released by the other Parties, the following minimum insurance coverages, with insurance companies licensed to write insurance or approved eligible surplus lines carriers in the state of New York with a minimum A.M. Best rating of A or better for financial strength, and an A.M. Best financial size category of VIII or better:

Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of New York State.

Commercial General Liability ("CGL") Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available using Insurance Services Office, Inc. Commercial General Liability Coverage ("ISO CG") Form CG 00 01 04 13 or a form equivalent to or better than CG 00 01 04 13, with minimum limits of Two Million Dollars (\$2,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage.

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

If applicable, the Commercial General Liability and Comprehensive Automobile Liability Insurance policies should include contractual liability for work in connection with construction or demolition work on or within 50 feet of a railroad, or a separate Railroad Protective Liability Policy should be provided.

Excess Liability Insurance over and above the Employers' Liability, Commercial General Liability and Comprehensive Automobile Liability Insurance coverages, with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) per occurrence and Twenty Million Dollars (\$20,000,000) aggregate. The Excess policies should contain the same extensions listed under the Primary policies.

The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Liability Insurance policies of System Owner and, if applicable, Interconnection Customer shall name the other Party, its parent, associated and Affiliate companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional insureds using ISO CG Endorsements: CG 20 33 04 13, and CG 20 37 04 13 or CG 20 10 04 13 and CG 20 37 04 13 or equivalent to or better forms. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this Agreement against the Other Party Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.

The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Liability Insurance policies shall contain provisions that specify that the policies are primary and non-contributory. System Owner and, if applicable, Interconnection Customer shall each be responsible for its respective deductibles or retentions.

The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for at least three (3) years after termination of this Agreement, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Interconnection Customer and System Owner.

11.3.8 If applicable, Pollution Liability Insurance in an amount no less than \$7,500,000 per occurrence and \$7,500,000 in the aggregate. The policy will provide coverage for claims resulting from pollution or other environmental impairment arising out of or in connection with work performed on the premises by the other party, its contractors and and/or subcontractors. Such insurance is to include coverage for, but not be limited to, cleanup, third party bodily injury and property damage and remediation and will be written on an occurrence basis. The policy shall name the Other Party Group as additional insureds, be primary and contain a waiver of subrogation.

The requirements contained herein as to the types and limits of all insurance to be maintained by the System Owner and, if applicable, Interconnection Customer are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by those Parties under this Agreement.

11.3.11 Within [insert term stipulated by the Parties] Calendar Days following execution of this Agreement, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) Calendar Days thereafter, Interconnection Customer and System Owner, as applicable, shall provide certificate of insurance for all insurance required in this Agreement, executed by each insurer or by an authorized representative of each insurer.

11.3.12 Notwithstanding the foregoing, either of System Owner and, if applicable, Interconnection Customer may each self-insure to meet the minimum insurance requirements of Articles 11.3.1 through 11.3.9 to the extent it maintains a self-insurance program; provided that, such Party's senior debt is rated at investment grade, or better, by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 11.3.1 through 11.3.9. In the event that a Party is permitted to self-insure pursuant to this Article 11.3.12, it shall notify the other Party that it meets the requirements to self-insure and that its self-insurance program meets the minimum insurance requirements in a manner consistent with that specified in Articles 11.3.1 through 11.3.9 and provide evidence of such coverages. For any period of time that a Party's senior debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Party shall comply with the insurance requirements applicable to it under Articles 11.3.1 through 11.3.9.

11.3.14 Interconnection Customer and System Owner agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this Agreement.

Subcontractors of each party must maintain the same insurance requirements stated under Articles 11.3.1 through 11.3.9 and comply with the Additional Insured

requirements herein. In addition, their policies must state that they are primary and non-contributory and contain a waiver of subrogation.

ARTICLE 12. ASSIGNMENT

Assignment.

12.1 This Agreement may be assigned by a Party only with the written consent of the other Parties; provided that a Party may assign this Agreement without the consent of the other Parties to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; provided further that a Party may assign this Agreement without the consent of the other Parties in connection with the sale, merger, restructuring, or transfer of a substantial portion or all of its assets, so long as the assignee in such a transaction directly assumes in writing all rights, duties and obligations arising under this Agreement; and provided further that the Interconnection Customer shall have the right to assign this Agreement, without the consent of the NYISO or System Owner, for collateral security purposes to aid in providing financing for the Facility, provided that the Interconnection Customer will promptly notify the NYISO and System Owner of any such assignment. Any financing arrangement entered into by Interconnection Customer pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the NYISO and System Owner of the date and particulars of any such exercise of assignment right(s) and will provide the NYISO and System Owner with proof that it meets the requirements of Articles 5.2 and 11.3. Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

ARTICLE 13. SEVERABILITY

If any provision in this Agreement is finally determined to be invalid, void or unenforceable by any court or other Governmental Authority having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this Agreement.

ARTICLE 14. COMPARABILITY

15.1 The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

ARTICLE 15. CONFIDENTIALITY

Confidentiality.

Certain information exchanged by the Parties during the term of this Agreement shall constitute confidential information ("Confidential Information") and shall be subject to this Article 15.

If requested by a Party receiving information, the Party supplying the 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.

Term.

During the term of this Agreement, and for a period of three (3) years after the expiration or termination of this Agreement, except as otherwise provided in this Article 15, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

Confidential Information.

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

Scope.

15.4

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this Agreement; or (6) is required, in accordance with Article 15.9 of this Agreement, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this 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.

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), subcontractors, employees, consultants, or to parties who may be considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of a Party, on a need-to-know basis in connection with this Agreement, unless such person has first been advised of the confidentiality provisions of this Article 15 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall

remain primarily responsible for any release of Confidential Information in contravention of this Article 15.

Rights.

Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other 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.

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.

Standard of Care.

15.8 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 this Agreement or its regulatory requirements, including the OATT and Services Tariff. The NYISO shall, in all cases, treat the information it receives in accordance with the requirements of Attachment F to the OATT.

15.9

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 this Agreement. 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.

Termination of Agreement.

Upon termination of this Agreement for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from the other Parties, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the other Parties) or return to the other Parties, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Parties pursuant to this Agreement.

Remedies.

The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 15. 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 Article 15, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Article 15, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Article 15.

Disclosure to FERC, its Staff, or a State.

15.12 Notwithstanding anything in this Article 15 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 this Agreement or the 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 to this Agreement prior to the release of the Confidential Information to the Commission or its staff. The Party shall notify the other Parties to the Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time 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 if consistent with the applicable state rules and 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.

Required Notices Upon Requests or Demands for Confidential Information

Except as otherwise expressly provided herein, 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 other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Agreement, the OATT or the 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 Party in writing and agrees

to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

ARTICLE 16. INTERCONNECTION CUSTOMER AND SYSTEM OWNER NOTICES OF ENVIRONMENTAL RELEASES

Interconnection Customer and System Owner shall notify the other Parties, first orally and then in writing, of the release of any Hazardous Substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Upgrades, each of which may reasonably be expected to affect the other Parties. The notifying Party shall: (i) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than twenty-four hours after such Party becomes aware of the occurrence; and (ii) promptly furnish to the other Parties copies of any publicly available reports filed with any Governmental Authorities addressing such events.

ARTICLE 17. INFORMATION REQUIREMENT

Information Acquisition

- 17.1 Interconnection Customer and System Owner shall each submit specific information regarding the electrical characteristics of its facilities to the other Parties as described below and in accordance with Applicable Reliability Requirements.

17.2 Information Submission Concerning the Upgrades

- The initial information submission by System Owner shall occur as specified in the Milestones in Appendix A and shall include New York State Transmission System information necessary to allow the Interconnection Customer to select equipment for its Facility and meet any system protection and stability requirements, unless otherwise mutually agreed to by the Interconnection Customer and System Owner. On a monthly basis, System Owner and Interconnection Customer shall each provide the other Parties a status report on the construction and installation of the Upgrades, including, but not limited to, the following information: (1) progress to date; (2) a description of the activities since the last report; (3) a description of the action items for the next period; and (4) the delivery status of equipment ordered.

Information Submission Concerning the Facility

The updated information submission by the Interconnection Customer, including manufacturer information, shall occur as specified in the Milestones in Appendix A. Interconnection Customer shall submit a completed copy, if applicable, of the Facility data requirements contained in Appendix 1 to the Standard Large Facility Interconnection Procedures or Appendix 1 to the Standard Interconnection Procedures. It shall also include any additional information provided to System Owner, as applicable, for the Class Year Interconnection Facilities Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Affected System Study. Information in this submission shall be the most current Facility design or expected performance data. Information submitted for stability models shall be compatible with NYISO standard models. If there is no compatible model, the

Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If the Interconnection Customer's data is different from what was originally provided to System Owner and NYISO in, as applicable, its Interconnection Request or with its Affected System Study Agreement and this difference may be reasonably expected to affect the other Parties' facilities or the New York State Transmission System, but does not require the submission of a new Interconnection Request, then Interconnection Customer will notify the NYISO and System Owner of such modifications.

Information Supplementation

17.4 The Interconnection Customer and System Owner shall supplement its information submissions described above in this Article 17 with any and all "as built" information or "as tested" performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist.

ARTICLE 18. INFORMATION ACCESS AND AUDIT RIGHTS

Information Access.

18.1

Each Party ("Disclosing Party") shall make available to another Party ("Requesting Party") information that is in the possession of the Disclosing Party and is necessary in order for the Requesting Party to: (i) verify the costs incurred by the Disclosing Party for which the Requesting Party is responsible under this Agreement; and (ii) carry out its obligations and responsibilities under this Agreement. The Parties shall not use such information for purposes other than those set forth in this Article 18.1 and to enforce their rights under this Agreement.

18.2

Reporting of Non-Force Majeure Events.

Each Party (the "Notifying Party") shall notify the other Parties when the Notifying Party becomes aware of its inability to comply with the provisions of this Agreement for a reason other than a Force Majeure event. The Parties agree to cooperate with each other and provide necessary information regarding such inability to comply, including the date, duration, reason for the inability to comply, and corrective actions taken or planned to be taken with respect to such inability to comply. Notwithstanding the foregoing, notification, cooperation or information provided under this Article shall not entitle the Party receiving such notification to allege a cause for anticipatory breach of this Agreement.

18.3

Audit Rights.

Subject to the requirements of confidentiality under Article 15 of this Agreement, each Party shall have the right, during normal business hours, and upon prior reasonable notice to another Party, to audit at its own expense the other Party's accounts and records pertaining to the other Party's performance or satisfaction of its obligations under this Agreement. Such audit rights shall include audits of the other Party's costs and calculation of invoiced amounts. Any audit authorized by this Article shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that

relate to the Party's performance and satisfaction of obligations under this Agreement. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 18.4 of this Agreement.

Audit Rights Periods.

Audit Rights Period for Construction-Related Accounts and Records.

18.4 Accounts and records related to the design, engineering, procurement, and construction of the Upgrades shall be subject to audit for a period of twenty-four months following the issuance of the final invoice in accordance with Article 6.1 of this Agreement.

Audit Rights Period for All Other Accounts and Records.

18.4.2 Accounts and records related to a Party's performance or satisfaction of its obligations under this Agreement other than those described in Article 18.4.1 of this Agreement shall be subject to audit as follows: (i) for an audit relating to cost obligations, the applicable audit rights period shall be twenty-four months after the auditing Party's receipt of an invoice giving rise to such cost obligations; and (ii) for an audit relating to all other obligations, the applicable audit rights period shall be twenty-four months after the event for which the audit is sought.

Audit Results.

18.5

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

ARTICLE 19. SUBCONTRACTORS

19.1

General.

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

Responsibility of Principal.

The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. The hiring Party shall be fully responsible to the other Parties for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; provided, however, that in no event shall the NYISO or System Owner be liable for the actions or inactions of Interconnection Customer or its subcontractors with respect to obligations of Interconnection Customer under Article 3 of this Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

No Limitation by Insurance.

The obligations under this Article 19 will not be limited in any way by any limitation of subcontractor's insurance.

ARTICLE 20. DISPUTES

19.3

Submission.

In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its 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 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 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 this Agreement.

20.2

External Arbitration Procedures.

Any arbitration initiated under this Agreement shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the Dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. In each case, the arbitrator(s) 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 Article 20, the terms of this Article 20 shall prevail.

Arbitration Decisions.

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change any provision of this Agreement in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act. The final decision of the arbitrator(s) must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, or Upgrades.

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.

20.4

Termination.

Notwithstanding the provisions of this Article 20, any Party may terminate this Agreement in accordance with its provisions or pursuant to an action at law or equity. The issue of whether such a termination is proper shall not be considered a Dispute hereunder.

20.5

ARTICLE 21. REPRESENTATIONS, WARRANTIES AND COVENANTS

General.

21.1 Each Party makes the following representations, warranties and covenants:

Good Standing.

21.1.1

Such Party is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the State of New York; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted, to enter into this Agreement and carry out the transactions contemplated hereby, and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

21.1.2

Authority.

Such Party has the right, power and authority to enter into this Agreement, to become a Party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

21.1.3

No Conflict.

21.1.4 The execution, delivery and performance of this Agreement does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.

Consent and Approval.

Such Party has sought or obtained, or, in accordance with this Agreement will seek or obtain, each consent, approval, authorization, order, or acceptance by any Governmental

Authority in connection with the execution, delivery and performance of this Agreement, and the Party will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

ARTICLE 22. MISCELLANEOUS

Binding Effect.

This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the Parties hereto.

22.1

Conflicts.

22.2 If there is a discrepancy or conflict between or among the terms and conditions of the body of this Agreement and the Appendices hereto, the terms and conditions of the body of this Agreement shall be given precedence over the Appendices, except as otherwise expressly agreed to in writing by the Parties.

Rules of Interpretation.

22.3

This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article of this Agreement or such Appendix to this Agreement, or such Section to the Standard Interconnection Procedures or such Appendix to the Standard Interconnection Procedures as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without 22.4 limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".

Compliance.

Each Party shall perform its obligations under this Agreement in accordance with Applicable Laws and Regulations, Applicable Reliability Requirements, the OATT and Good Utility Practice. To the extent a Party is required or prevented or limited in taking any action by such regulations and standards, such Party shall not be deemed to be in Breach of this Agreement for its compliance therewith. When any Party becomes aware of such a situation, it shall notify

the other Parties promptly so that the Parties can discuss the amendment to this Agreement that is appropriate under the circumstances.

Joint and Several Obligations.

Except as otherwise stated herein, the obligations of NYISO, Interconnection Customer, and System Owner are several, and are neither joint nor joint and several.

22.5 Entire Agreement.

This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes
22.6 all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

No Third Party Beneficiaries.

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

22.8 Waiver.

The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by any Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement for any reason by an Interconnection Customer shall not constitute a waiver of such Interconnection Customer's legal rights to obtain Capacity Resource Interconnection Service and Energy Resource Interconnection Service from
22.9 the NYISO and the relevant System Owner in accordance with the relevant Interconnection Agreement and the provisions of the OATT. Any waiver of this Agreement shall, if requested, be provided in writing.

Headings.

22.10 The descriptive headings of the various Articles of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.

Multiple Counterparts.

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

Amendment.

The Parties may by mutual agreement amend this Agreement, by a written instrument duly executed by all three of the Parties.

Modification by the Parties.

22.11

The Parties may by mutual agreement amend the Appendices to this Agreement, by a written instrument duly executed by all three of the Parties. Such an amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

22.12

Reservation of Rights.

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

22.14

No Partnership.

22.15 This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership among the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, any other Party.

Other Transmission Rights.

Notwithstanding any other provision of this Agreement, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, or transmission congestion rights that Interconnection Customer shall be entitled to, now or in the future under any other agreement or tariff as a result of or otherwise associated with, the transmission capacity, if any, created by the Upgrades.

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

**New York Independent System Operator,
Inc.**

By: _____

Name: _____

Title: _____

Date: _____

[Insert Name of System Owner]

By: _____

Name: _____

Title: _____

Date: _____

[Insert Name of Interconnection Customer]

By: _____

Name: _____

Title: _____

Date: _____

APPENDICES

Appendix A

Construction Services

Appendix B

Addresses for Delivery of Notices and Billings

Appendix C

In-Service Date

APPENDIX A

CONSRUCTION SERVICES

1. Upgrades

[Insert description of Upgrades and specify Interconnection Customer's and System Owner's responsibilities to design, procure, and construction Upgrades]

2. Upgrades Estimated Total Cost Amount

[Insert table indicating Upgrades Estimated Total Cost Amount and insert description of security provided by Interconnection Customer to System Owner for Upgrades]

3. Milestones

Item	Milestone	Date	Responsible Party
1.	[insert milestones]	[insert date]	
2.	In-Service Date	[insert date]	
3.	Completion Date	[insert date]	

4. Estimated Tax Liability

[If applicable]

APPENDIX B

ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS

Notices:

NYISO:

[To be supplied.]

System Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Billings and Payments:

System Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Alternative Forms of Delivery of Notices (telephone, facsimile or email):

NYISO:

[To be supplied.]

System Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

APPENDIX C
IN-SERVICE DATE

[Date]

[Insert NYISO address]

[Insert System Owner address]

[Insert Interconnection Customer address]

Re: [Insert project name] Upgrades

Dear _____:

On **[Date]** **[System Owner/Interconnection Customer]** has completed the Upgrades. This letter confirms that **[describe Upgrades]** have commenced service, effective as of **[Date plus one day]**.

Thank you.

[Signature]

[Interconnection Customer's/System Owner's Representative]

Appendix 17 to Attachment HH – Standard Multiparty Upgrade Construction Agreement

SERVICE AGREEMENT NO. [*]

SERVICE AGREEMENT NO. [●]
STANDARD MULTIPARTY UPGRADE CONSTRUCTION AGREEMENT
AMONG THE
NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.,
AND
[INSERT SYSTEM OWNER]
AND
[INSERT INTERCONNECTION CUSTOMER]
AND
[INSERT INTERCONNECTION CUSTOMER]

Dated as of *[insert execution date]*

Project Name: *[insert project name]*

Queue Position Nos.: *[insert queue numbers]*

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STANDARD MULTIPARTY UPGRADE CONSTRUCTION AGREEMENT

[To insert additional Interconnection Customer entries if more than two Interconnection Customers are parties to this agreement.]

THIS STANDARD MULTIPARTY UPGRADE CONSTRUCTION AGREEMENT

(“Agreement”) is made and entered into this __ day of __ 20__, by and among: _____, a [corporate description] organized and existing under the laws of State/Commonwealth of _____ (“*Interconnection Customer Name*”), _____, a [corporate description] organized and existing under the laws of State/Commonwealth of _____ (“*Interconnection Customer Name*”) (each an “Interconnection Customer” for a “Facility” and collectively “Interconnection Customers” for “Facilities”), _____, a [corporate description] organized and existing under the laws of State/Commonwealth of _____ (“System Owner”), and 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”). Each Interconnection Customer, the NYISO, or System Owner each may be referred to as a “Party” or collectively referred to as the “Parties.”

RECITALS

[To insert the applicable following recitals based on Interconnection Customers’ projects; to insert additional Interconnection Customer entries if more than two Interconnection Customers are parties to this agreement.]

Application 1:

WHEREAS, [*Interconnection Customer Name*] is developing a Facility – a [*insert generation/transmission project*] identified as [*insert project name*] with NYISO Queue Position No. [*] – that will interconnect to certain transmission facilities of [*insert Connecting Transmission Owner’s name*] (“*Connecting Transmission Owner*”) that are part of the New York State Transmission System or Distribution System and [*has entered/will enter*] into a Standard Interconnection Agreement with the NYISO and the Connecting Transmission Owner concerning the interconnection of its project;

WHEREAS, [*Interconnection Customer Name*] is developing a Facility – a [*insert generation/transmission project*] identified as [*insert project name*] with NYISO Queue Position No. [*] – that will interconnect to certain transmission facilities of [*insert Connecting Transmission Owner’s name*] (“*Connecting Transmission Owner*”) that are part of the New York State Transmission System or Distribution System and [*has entered/will enter*] into a Standard Interconnection Agreement with the NYISO and the Connecting Transmission Owner concerning the interconnection of its project;

Application 2:

WHEREAS, [*Interconnection Customer Name*] is an Affected System Interconnection Customer developing a Facility - a [*insert generation/transmission*] project identified as [*insert project*

name]- that will interconnect in [insert name of host transmission region], which interconnection was studied by the NYISO through an Affected System Study for impacts on the New York State Transmission System or Distribution System with NYISO Queue Position No. [] and [has entered/will enter] into any required interconnection agreement for its facility with the [insert name of host transmission region];*

WHEREAS, *[Interconnection Customer Name] is an Affected System Interconnection Customer developing a Facility - a [insert generation/transmission] project identified as [insert project name]- that will interconnect in [insert name of host transmission region], which interconnection was studied by the NYISO through an Affected System Study for impacts on the New York State Transmission System or Distribution System with NYISO Queue Position No. [*] and [has entered/will enter] into any required interconnection agreement for its facility with the [insert name of host transmission region];*

[To insert one of the following alternatives based on the application of this Agreement:

Application 1:

WHEREAS, *the [Cluster Study/Class Year Interconnection Facilities Study for Class Year [insert Class Year]] has determined that certain System Upgrade Facilities are required to be constructed on the Affected System owned by the System Owner as the Affected System Operator to enable the Facilities to interconnect reliably to the New York State Transmission System or Distribution System in a manner that meets the NYISO Minimum Interconnection Standard (“Upgrades”);*

Application 2:

WHEREAS, *the [Cluster Study/Class Year Interconnection Facilities Study for Class Year [insert Class Year]] has determined that certain System Upgrade Facilities are required to be constructed on the transmission system owned by the System Owner as the Connecting Transmission Owner to enable the Facilities to interconnect reliably to the New York State Transmission System or Distribution System in a manner that meets the NYISO Minimum Interconnection Standard (“Upgrades”);*

Application 3:

WHEREAS, *the NYISO’s [Cluster Study Deliverability Study and/or Additional SDU Study (collectively, the “Cluster Study Deliverability Study”)/Class Year Deliverability Study and/or Additional SDU Study for Class Year [insert Class Year] (collectively, the “Class Year Deliverability Study”)] determined that certain System Deliverability Upgrades are required to be constructed on the Affected System owned by the System Owner as the Affected System Operator to enable the Facilities to interconnect reliably to the New York State Transmission System or Distribution System in a manner that meets the NYISO Deliverability Interconnection Standard at the Facilities’ requested level of Capacity Resource Interconnection Service (“Upgrades”);]*

Application 4:

WHEREAS, the NYISO's [Cluster Study Deliverability Study and/or Additional SDU Study (collectively, the "Cluster Study Deliverability Study")/Class Year Deliverability Study and/or Additional SDU Study for Class Year [insert Class Year] (collectively, the "Class Year Deliverability Study")] determined that certain System Deliverability Upgrades are required to be constructed on the transmission system owned by the System Owner as the Connecting Transmission Owner to enable the Facilities to interconnect reliably to the New York State Transmission System or Distribution System in a manner that meets the NYISO Deliverability Interconnection Standard at the Facilities' requested level of Capacity Resource Interconnection Service ("Upgrades");]

Application 5:

WHEREAS, the NYISO's Affected System Study determined that certain Affected System Network Upgrades are required to be constructed on the Affected System owned by the System Owner as the Affected System Operator in connection with the Facilities' interconnection in [insert name of host transmission region] ("Upgrades");

WHEREAS, the [Cluster Study/ Cluster Study Deliverability Study/Class Year Interconnection Facilities Study/ Class Year Deliverability Study/Affected System Study] has determined the cost estimate for the engineering, procurement, and construction of the Upgrades ("Interconnection Customer Common Upgrades Cost Cap");

WHEREAS, Interconnection Customers and System Owner desire to [perform/have Interconnection Customers perform/have System Owner perform], and [they are willing to perform/Interconnection Customers are willing to perform/System Owner is willing to perform], the engineering, procurement, and construction services required to construct the Upgrades ("Construction Services") in accordance with the terms and conditions hereinafter set forth; and

WHEREAS, Interconnection Customers, System Owner, and the NYISO have agreed to enter into this Agreement for the purpose of allocating the responsibilities for the performance and oversight of the Construction Services required to construct the Upgrades;

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

ARTICLE 1. DEFINITIONS

Whenever used in this Agreement with initial capitalization, the following terms shall have the meanings specified in this Article 1. Terms used in this Agreement with initial capitalization that are not defined in this Article 1 shall have the meanings specified in Section 1 of the OATT, Section 40.1 of Attachment HH to the OATT, Section 30.1 of Attachment X to the ISO OATT, Section 25.1.2 of Attachment S to the OATT, the body of the Standard Interconnection Procedures or Standard Facility Interconnection Procedures, or the body of this Agreement.

Affected System shall mean an electric system within the New York Control Area other than the transmission system owned, controlled or operated by the Connecting Transmission Owner that may be affected by the proposed interconnection.

Affected System Interconnection Customer shall mean any entity that submits an interconnection request for a Facility to a transmission system other than New York State Transmission System that may cause the need for Affected System Network Upgrades on the New York State Transmission System.

Affected System Network Upgrades shall mean the additions, modifications, and upgrades to the New York State Transmission System required to accommodate Affected System Interconnection Customer's proposed interconnection to a transmission system other than the New York State Transmission System.

Affected System Operator shall mean the entity that operates an Affected System. Affected System Operator includes the Affected Transmission Owners.

Affected System Study shall mean the NYISO's evaluation of the impacts on the New York State Transmission System of an Affected System Interconnection Customer's proposed interconnection to a transmission system other than the New York State Transmission System, as described in Section 40.8.3 of Attachment HH to the OATT.

Affected Transmission Owner shall mean the New York public utility or authority (or its designated agent) other than the Connecting Transmission Owner that (i) owns facilities used for the transmission of Energy in interstate commerce and provides Transmission Service under the ISO OATT, and (ii) owns, leases or otherwise possesses an interest in a portion of the New York State Transmission System where System Deliverability Upgrades, System Upgrade Facilities, Affected Network Upgrade Facilities, or Network Upgrade Facilities are or will be installed pursuant to Attachments P, S, X, Z, or HH to the ISO OATT.

Affiliate shall mean, with respect to a person or entity, any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust or unincorporated organization, directly or indirectly controlling, controlled by, or under common control with, such person or entity. The term "control" shall mean the possession, directly or indirectly, of the power to direct the management or policies of a person or an entity. A voting interest of ten percent or more shall create a rebuttable presumption of control.

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 Electric Reliability Organization, the NPCC and the NYSRC.

Applicable Reliability Requirements shall mean the NYSRC Reliability Rules, and other criteria, standards and procedures, as described in Section [40.12.1.2] of this Attachment HH, applied when conducting the Cluster Baseline Assessment and the Cluster Project Assessment; 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 Standard Interconnection Procedures. The Applicable Reliability Requirements applied are those in effect when the particular assessment is commenced.

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

Breaching Party shall mean a Party that is in Breach of this Agreement.

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

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

Class Year Interconnection Facilities Study (“Class Year Study”) shall mean a study conducted by the NYISO or a third party consultant for the Interconnection Customer to determine a list of facilities (including Connecting Transmission Owner’s Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades 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 Class Year Transmission Project with the New York State Transmission System or with the Distribution System. The scope of the study is defined in Section 30.8 of the Large Facility Interconnection Procedures in Attachment X to the ISO OATT.

Class Year Transmission Project shall mean an Interconnection Customer’s proposed new transmission facility that will interconnect to the New York State Transmission System or a proposed upgrade—an improvement to, addition to, or replacement of a part of an existing transmission facility—to the New York State Transmission System, for which (1) the Interconnection Customer is eligible to request and does request Capacity Resource Interconnection Service, subject to the eligibility requirements set forth in the ISO Procedures; or (2) the Interconnection Customer requests only Energy Resource Interconnection Service and the transmission facility for which it requests Energy Resource Interconnection Service is a transmission facility over which power flow can be directly controlled by power flow control devices directly connected to the Class Year Transmission Project without having to re-dispatch generation. Class Year Transmission Projects shall not include Attachment Facilities, Network Upgrade Facilities, System Upgrade Facilities or System Deliverability Upgrades.

Cluster Study shall mean the study conducted, as applicable, by the ISO, Connecting Transmission Owner, Affected Transmission Owner, Affected System Operator or a third party consultant for the Interconnection Customer to determine a list of facilities (including Connecting Transmission Owner’s Attachment Facilities, Distribution Upgrades, System Upgrade Facilities and System Deliverability Upgrades), the cost of those facilities, and the time required to interconnect the Generating Facility or Cluster Study Transmission Project with the New York State Transmission System or with the Distribution System. The Cluster Study includes the Phase 1 Study and the Phase 2 Study.

Cluster Study Transmission Project shall mean an Interconnection Customer’s proposed new transmission facility that will interconnect to the New York State Transmission System or a proposed upgrade—an improvement to, addition to, or replacement of a part of an existing transmission facility—to the New York State Transmission System, for which (1) the Interconnection Customer is eligible to request and does request Capacity Resource Interconnection Service, subject to the eligibility requirements set forth in the ISO Procedures; or (2) the Interconnection Customer requests only Energy Resource Interconnection Service and the

transmission facility for which it requests Energy Resource Interconnection Service is a transmission facility over which power flow can be directly controlled by power flow control devices directly connected to the Cluster Study Transmission Project without having to re-dispatch generation. Cluster Study Transmission Projects shall not include Attachment Facilities, Network Upgrade Facilities, System Upgrade Facilities or System Deliverability Upgrades.

Completion Date shall mean the date on which, as applicable, the System Owner or Interconnection Customers have completed the Construction Services, as set forth in Appendix A.

Confidential Information shall mean any information that is defined as confidential by Article 15 of this Agreement.

Connecting Transmission Owner shall have the meaning set forth in the recitals.

Construction Services shall have the meaning set forth in the recitals and shall consist of the services described in Appendix A.

Default shall mean the failure of a Party in Breach of this Agreement to cure such Breach in accordance with Article 10 of this Agreement.

Distribution System shall mean the Connecting Transmission Owner's facilities and equipment used to distribute electricity that are subject to FERC jurisdiction, and are subject to the NYISO's Standard Interconnection Procedures in Attachment HH under FERC Order Nos. 2003 and/or 2006. The term Distribution System shall not include LIPA's distribution facilities.

Effective Date shall mean the date on which this Agreement becomes effective in accordance with Article 2.1 of this Agreement.

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

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

Facility shall mean, as applicable, the Generating Facility, Class Year Transmission Project, or Cluster Study Transmission Project interconnecting to the New York State Transmission System or Distribution System or, for an Affected System Interconnection Customer, the generation or transmission facility interconnecting to another region's transmission system. For purpose of this agreement, a Facility is each individual generation or transmission facility identified in the Recitals, which are collectively the Facilities.

Federal Power Act shall mean the Federal Power Act, as amended, 16 U.S.C. §§ 791a *et seq.* ("FPA").

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

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

Generating Facility shall mean Interconnection Customer's device(s) for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Attachment Facilities or Distribution Upgrades. A facility comprised of multiple Generators will be treated as a single Generating Facility if the facility proposed in the Interconnection Request is comprised of multiple Generators behind a single Point of Interconnection, even if such Generators are different technology types.

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

Governmental Authority shall mean any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over 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 Interconnection Customer, the NYISO, Affected Transmission Owner, Affected System Operator, Connecting Transmission Owner, or any Affiliate thereof.

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

In-Service Date shall mean the date upon which the Upgrades are energized consistent with the provisions of this Agreement, notice of which must be provided to the other Parties by, as applicable, the Interconnection Customer or System Owner in the form of Appendix C.

Interconnection Agreement shall mean, as applicable, the Standard Interconnection Agreement or Standard Large Generator Interconnection Agreement, or, if a Facility is interconnecting to another region's transmission system, the interconnection agreement entered into in that region.

Interconnection Customer shall mean, as applicable, an Interconnection Customer as defined in Attachment HH to the ISO OATT, a Developer as defined in Attachments S and X of the ISO OATT, or an Affected System Interconnection Customer as defined in Attachment HH to the ISO OATT. For purposes of this Agreement, the Interconnection Customer shall have the meaning set forth in the introductory paragraph.

Interconnection Customer Common Upgrades Cost Cap shall mean an Interconnection Customer's portion of the estimated cost of the Upgrades as described in Appendix A.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to Attachment X to the ISO OATT or Appendix 1 to Attachment HH to the ISO OATT, to interconnect a new Facility to the New York State Transmission System or to the Distribution System, or to materially increase the capacity of, or make a material modification to the operating characteristics of, an existing Facility that is interconnected with the New York State Transmission System or with the Distribution System. For purposes of the Interconnection Request, a facility comprised of multiple Generators behind the same Point of Interconnection may be considered a single Generating Facility, provided the Interconnection Request identifies a single Interconnection Customer.

Invoice Share shall mean an individual Interconnection Customer's percentage share of the Interconnection Customers' total cost responsibility for the Construction Services subject to the Interconnection Customers' Common Upgrades Cost Cap as described in Appendix A.

IRS shall mean the Internal Revenue Service.

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

ISO OATT shall mean the NYISO's Open Access Transmission Tariff, as filed with the Commission, and as amended or supplemented from time to time, or any successor tariff.

Milestones shall mean the milestones for the performance of the Construction Services, as set forth in Appendix A.

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

Notice of Dispute shall mean a written notice of a dispute or claim pursuant to Article 20 of this Agreement that arises out of or in connection with this Agreement or its performance.

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

NYISO Tariffs shall mean the ISO OATT and ISO Services Tariff.

NYSRC shall mean the New York State Reliability Council or its successor organization.

Party or Parties shall have the meaning set forth in the introductory paragraph.

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

Standard Multiparty Upgrade Construction Agreement shall mean this Agreement.

System Deliverability Upgrades shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with Good Utility Practice and Applicable Reliability Requirements, to make the modifications or additions to Byways and Highways and Other Interfaces on the existing New York State Transmission System and Distribution System that are required for the proposed project to connect reliably to the system in a manner that meets the NYISO Deliverability Interconnection Standard at the requested level of Capacity Resource Interconnection Service.

System Owner shall mean, as applicable, the Affected System Operator, Affected Transmission Owner, or Connecting Transmission Owner. For purposes of this Agreement, the System Owner shall be defined in the introductory paragraph.

System Upgrade Facilities shall mean the least costly configuration of commercially available components of electrical equipment that can be used, consistent with Good Utility Practice and Applicable Reliability Requirements, to make the modifications to the existing transmission system that are required to maintain system reliability due to: (i) changes in the system including such changes as load growth and changes in load pattern, to be addressed in the form of generic generation or transmission projects in accordance with Section [40.9.5.1] of Attachment HH to the ISO OATT; and (ii) proposed interconnections. In the case of proposed interconnection projects, System Upgrade Facilities are the modifications or additions to the existing New York State Transmission System that are required for the proposed project to connect reliably to the system in a manner that meets the NYISO Minimum Interconnection Standard.

Upgrades shall mean, as applicable, System Upgrade Facilities, System Deliverability Upgrade Facilities, or Affected Network Upgrade Facilities. For purposes of this Agreement, the Upgrades shall have the meaning set forth in the recitals and shall be described in Appendix A.
2.1

ARTICLE 2. EFFECTIVE DATE, TERM AND TERMINATION

Effective Date.

This Agreement shall become effective upon the date of execution by the Parties, subject to acceptance by FERC, or if filed unexecuted, upon the date specified by FERC. The NYISO, and if applicable, the Affected Transmission Owner, shall promptly file this Agreement with FERC upon execution, if required, in accordance with the requirements in the OATT. Interconnection Customers and System Owner shall reasonably cooperate with the NYISO with respect to the filing of this Agreement with FERC and provide any information reasonably requested by the NYISO needed for such filing.

Term of Agreement.

Subject to the provisions of Article 2.3, this Agreement shall remain in effect until the later of: (i) the Completion Date, and (ii) the date on which the final payment of all invoices issued under this Agreement have been made pursuant to Articles 6.1 and 6.3 and any remaining Security has been released or refunded pursuant to Article 6.2.

Termination.

Completion of Term of Agreement

2.3.1 This Agreement shall terminate upon the completion of the term of the Agreement pursuant to Article 2.2.

Written Notice.

2.3.2 This Agreement may be terminated by the mutual agreement in writing of all of the Parties.

Default.

2.3.3 Any Party may terminate this Agreement to the extent permitted under Article 10 and Article 20.

2.3.4 **Compliance.**

Notwithstanding Articles 2.3.1, 2.3.2, and 2.3.3, no termination of this Agreement shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination, including the filing with FERC of a notice of termination of this Agreement, which notice has been accepted for filing by FERC.

Termination Costs.

If this entire Agreement is terminated pursuant to Articles 2.3.2 or 2.3.3 above, the Interconnection Customers shall be responsible for all costs that are the responsibility of the Interconnection Customers under this Agreement that are incurred by the Interconnection Customers or other Parties through the date the Parties agree in writing to terminate the agreement. Such costs shall be allocated among the Interconnection Customers using the same methodology as set forth in Article 5 regarding each Interconnection Customer's responsibility for the costs of the Construction Services, subject to the Interconnection Customer Common Upgrade Cost Cap. Such costs include any cancellation costs relating to orders or contracts concerning the Construction Services or Upgrades. In the event of termination, all Parties shall use commercially Reasonable Efforts to mitigate the costs, damages and charges arising as a consequence of termination. Upon termination of this Agreement, unless otherwise ordered or approved by FERC:

With respect to any portion of the Upgrades for which the System Owner or Interconnection Customers (the “Constructing Party”) are responsible for constructing or installing under this Agreement and that have not yet been constructed or installed, the Constructing Party shall, to the extent possible and with the other Party’s (i.e., the System Owner or each of the Interconnection Customers as applicable) authorization, cancel any pending orders of, or return, any materials or equipment for, or contracts for construction of, the Upgrades; ^{2.4.1} provided that in the event an other Party (including one or more of the Interconnection Customers) elects not to authorize such cancellation, that other Party shall assume all payment obligations, including in the event it is one of the Interconnection Customers reimbursing the other Interconnection Customer for any payments it has already made, with respect to such materials, equipment, and contracts, and the Constructing Party shall deliver such material and equipment, and, if necessary, assign such contracts, to the other Party as soon as practicable, at the other Party’s expense. To the extent that the other Party has already paid the Constructing Party for any or all such costs of materials or equipment not taken by the other Party, the Constructing Party shall promptly refund such amounts to the other Party, less any costs, including penalties incurred by the Constructing Party to cancel any pending orders of or return such materials, equipment, or contracts.

^{2.4.2} The Constructing Party may, at its option, retain any portion of such materials or equipment that the other Party chooses not to accept delivery of, in which case the Constructing Party shall be responsible for all costs associated with procuring such materials or equipment.

^{2.4.3} With respect to any portion of the Construction Services already performed pursuant to the terms of this Agreement, Interconnection Customers shall be responsible for all costs associated with the removal, relocation or other disposition or retirement of such related materials, equipment, or facilities and such other expense actually incurred by System Owner to return its system to safe and reliable operation.

^{2.5}

Termination of One or More Interconnection Customers

In the event of the termination under Article 10.2 or withdrawal of one or more, but not all, Interconnection Customers, each Interconnection Customer whose participation in this Agreement is terminated shall be responsible for the payment to System Owner of all amounts then due and payable for construction and installation of the Upgrades (including, without limitation, any equipment ordered related to such construction), plus all out-of-pocket expenses incurred by System Owner in connection with the construction and installation of the Upgrades, through the date of termination, and, in the event of the termination of the entire Agreement, any actual costs which Transmission Provider reasonably incurs in (1) winding up work and construction demobilization and (2) ensuring the safety of persons and property and the integrity and safe and reliable operation of System Owner’s System. System Owner shall use Reasonable Efforts to minimize such costs. The cost responsibility of other Interconnection Customers shall be adjusted, as necessary, based on the payments by an Interconnection Customer that is terminated from the Agreement.

Survival.

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

No Annexation.

Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed by the Party providing such equipment and the Party receiving such equipment.

ARTICLE 3. CONSTRUCTION SERVICES

Performance of Construction Services.

3.1

System Owner shall be responsible for performing the Construction Services unless System Owner and Interconnection Customers agree for Interconnection Customers to perform such services. System Owner's and Interconnection Customers' respective obligations concerning the Construction Services shall be set forth in Appendix A hereto. System Owner and Interconnection Customers shall each use Reasonable Efforts to complete the Construction Services for which it has responsibility by the Milestone dates set forth in Appendix A hereto. The System Owner shall not be required to undertake any action which is inconsistent with the System Owner's standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, and Applicable Laws and Regulations. The NYISO has no responsibility, and shall have no liability, for the performance of any of the

3.2

Construction Services under this Agreement.

General Conditions Applicable to Interconnection Customers' Performance of the Construction Services.

3.2.1 If System Owner and Interconnection Customers agree pursuant to Section 3.1 for the Interconnection Customers to be responsible for the design, procurement, and/or construction of any Upgrades as set forth in Appendix A, the following conditions apply:

Interconnection Customers shall engineer, procure equipment, and construct the Upgrades (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by System Owner;

Interconnection Customers' engineering, procurement and construction of the Upgrades shall comply with all requirements of law to which System Owner would be subject in the engineering, procurement or construction of the Upgrades;

System Owner shall review and approve the engineering design, equipment acceptance tests, and the construction of the Upgrades;

Prior to the commencement of construction, Interconnection Customers shall provide System Owner and NYISO a schedule for construction of the Upgrades, and shall promptly respond to requests for information from System Owner or NYISO;

At any time during construction, System Owner shall have the right to gain unrestricted access to the Upgrades and to conduct inspections of the same;

At any time during construction, should any phase of the engineering, equipment procurement, or construction of the Upgrades not meet the standards and specifications provided by System Owner, Interconnection Customers shall be obligated to remedy deficiencies in that portion of the Upgrades;

Interconnection Customers shall indemnify System Owner and NYISO for claims arising from Interconnection Customers' construction of Upgrades under procedures applicable to Article 11.1 Indemnity;

Interconnection Customers shall transfer control of Upgrades to System Owner;

Unless Interconnection Customers and System Owner otherwise agree, Interconnection Customers shall transfer ownership of Upgrades to System Owner;

System Owner shall approve and accept for operation and maintenance the Upgrades to the extent engineered, procured, and constructed in accordance with this Article

Interconnection Customers shall deliver to NYISO and System Owner "as built" drawings, information, and any other documents that are reasonably required by NYISO or System Owner to assure that the Upgrades are built to the standards and specifications required by System Owner; and

Interconnection Customers shall pay the System Owner the agreed upon amount of [\$ PLACEHOLDER] for the System Owner to execute the responsibilities enumerated to System Owner under Article 3.2. System Owner shall invoice Interconnection Customers for this total amount to be divided on a monthly basis pursuant to Article 6. Such costs shall be allocated among the Interconnection Customers using the same methodology as set forth in

Article 5 regarding each Interconnection Customer's responsibility for the costs of the Construction Services.

Design and Equipment Procurement

If responsibility for construction of the Upgrades is to be borne by the System Owner, then the System Owner shall commence the design and procurement of the Upgrades for which it is responsible as soon as practicable after all of the following conditions are satisfied, unless the Interconnection Customers and System Owner otherwise agree in writing:

NYISO has completed, as applicable, the Class Year Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Affected System Study;

3.3.1

The NYISO has completed the required cost allocation analyses, and each Interconnection Customer has accepted its Project Cost Allocation for the Upgrades required for the Facility in accordance with the provisions of Attachment S or HH of the ISO OATT.

System Owner has received written authorization to proceed with design and procurement of the Upgrades from the Interconnection Customers by the date specified in Appendix A hereto; and

3.3.4

Each Interconnection Customer has provided Security to the System Owner for the design and procurement of the Upgrades in accordance with Article 5 by the date(s) specified in Appendix A hereto.

3.4

Construction Commencement

System Owner shall commence construction of the Upgrades for which it is responsible as soon as practicable after the following additional conditions are satisfied.

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

3.4.3

Necessary real property rights and rights-of-way have been obtained, to the extent required, for the construction of a discrete aspect of the Upgrades;

System Owner has received written authorization to proceed with construction from the Interconnection Customer by the date specified in Appendix A hereto; and

3.5

3.6.4 Each Interconnection Customer has provided security to the System Owner for the construction of the applicable facilities in accordance with Article 5.2 by the date(s) specified in Appendix A hereto.

Work Progress.

The Interconnection Customers and System Operator will keep each other, and NYISO, advised periodically as to the progress of its respective design, procurement and construction

efforts. Any Party may, at any time, request a progress report from the Interconnection Customers or System Owner.

Information Exchange.

As soon as reasonably practicable after the Effective Date, Interconnection Customers and System Owner shall exchange information, and provide NYISO the same information, regarding the design of the Upgrades and compatibility of the Upgrades with the New York State Transmission System and shall work diligently and in good faith to make any necessary design changes.

Ownership and Control of Upgrades.

System Owner shall own the Upgrades as described in Appendix A. The System Owner's and, if applicable, NYISO's operational control of the Upgrades upon the completion of the facilities shall be described in Appendix A.

Access Rights.

3.8 Upon reasonable notice and supervision by the Granting Party, and subject to any required or necessary regulatory approvals, either the System Owner or an Interconnection Customer ("Granting Party") shall furnish to the other Parties ("Access Party") at no cost any rights of use, licenses, rights of way and easements with respect to lands owned or controlled by the Granting Party, its agents (if allowed under the applicable agency agreement), or any Affiliate, that are necessary to enable the Access Party to obtain the ingress and egress required for the performance of the Construction Services, including to construct, repair, test (or witness testing), inspect, replace or remove the Upgrades. In exercising such licenses, rights of way and easements, the Access Party shall not unreasonably disrupt or interfere with normal operation of the Granting Party's business and shall adhere to the safety rules and procedures established in advance, as may be changed from time to time, by the Granting Party and provided to the Access Party. The Access Party shall indemnify the Granting Party against all claims of injury or damage from third parties resulting from the exercise of the access rights provided for herein.

Lands of Other Property Owners.

If any part of the Upgrades will be installed on property owned by persons other than the Interconnection Customers or System Owner, the System Owner shall at Interconnection Customers' expense use efforts, similar in nature and extent to those that it typically undertakes for its own or affiliated generation, including use of its eminent domain authority, and to the extent consistent with state law, to procure from such persons any rights of use, licenses, rights of way and easements that are necessary for the performance of the Construction Services upon such property by the System Owner or Interconnection Customers, including to construct, repair, operate, maintain, test (or witness testing), inspect, replace or remove the Upgrades.

Permits.

NYISO, Interconnection Customers, and System Owner shall cooperate with each other in good faith in obtaining all permits, licenses and authorizations that are necessary to

accomplish the Construction Services in compliance with Applicable Laws and Regulations. With respect to this paragraph, System Owner shall provide permitting assistance to the Interconnection Customers comparable to that provided to System Owner's own, or an Affiliate's, generation or transmission facilities, if any.

Reserved.

Taxes.

3.11^[*]

3.12 Tax Status; Non-Jurisdictional Entities.

Tax Status.

3.13

3.13.1 Each Party shall cooperate with the other Parties to maintain the other Parties' tax status. Nothing in this Agreement is intended to adversely affect the tax status of any Party including the status of NYISO, or the status of System Owner with respect to the issuance of bonds including, but not limited to, Local Furnishing Bonds. Notwithstanding any other provisions of this Agreement, LIPA, NYPA and Consolidated Edison Company of New York, Inc. shall not be required to comply with any provisions of this Agreement that would result in the loss of tax-exempt status of any of their Tax-Exempt Bonds or impair their ability 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.

3.13.2

Tax Status.

LIPA and NYPA do not waive their exemptions, pursuant to Section 201(f) of the FPA, from Commission jurisdiction with respect to the Commission's exercise of the FPA's general rulemaking authority.

3.14.1

Modification.

General

If, prior to the In-Service Date, the System Owner proposes to modify the Upgrades, the System Owner must provide to the NYISO at least ninety (90) Calendar Days in advance of the commencement of the work, or such shorter period upon which the Parties may agree, sufficient information for the NYISO to evaluate the impact of the proposed modification on, as applicable: (i) the reliable interconnection of Interconnection Customers' Facilities to the New York State Transmission System or (ii) the reliability of the New York State Transmission System due to the Facilities' interconnection to another region's transmission system. The NYISO's agreement to the proposed modification shall not be unreasonably withheld, conditioned, or delayed if the proposed modification is reasonably related to the interconnection of the Facility and will enable Interconnection Customers' Facilities to reliably interconnect to the New York State Transmission System or ensure the reliability of the New York State Transmission System of the Facilities' interconnection to another region's transmission system.

If the cost of the modified Upgrades is greater than the Interconnection Customer Common Upgrade Cost Cap, the additional cost will be allocated in accordance with, as applicable, Sections 25.6.1.4.1 and 25.8.6 of Attachment S or Sections 40.12.1.5.1 and 40.16.3 of Attachment HH to the ISO OATT.

Standards.

Any additions, modifications, or replacements made to a Party's facilities shall be designed, constructed and operated in accordance with this Agreement, NYISO requirements and Good Utility Practice.

Modification Costs.

Interconnection Customers shall not be assigned the costs of any additions, modifications, or replacements that System Owner makes to the Upgrades or the New York State Transmission System to facilitate the interconnection of a third party to the Upgrades or the New York State Transmission System, or to provide Transmission Service to a third party under the ISO OATT, except in accordance with the cost allocation procedures in Attachment S or HH of the ISO OATT.

ARTICLE 4. TESTING AND INSPECTION

4.1 Initial Testing and Modifications.

Prior to the In-Service Date of the Upgrades, the System Owner or Interconnection Customers, as specified in Appendix A, shall test the Upgrades to ensure their safe and reliable operation. The Party responsible for constructing the Upgrades shall make any modifications to the Upgrades that are found to be necessary as a result of such testing. Interconnection Customers shall bear the cost of all such testing and modifications

Right to Observe Testing.

The Party performing the testing shall notify the other Parties in advance of its performance of tests of the Upgrades. Each of the other Parties shall have the right, at its own expense, to observe such testing.

ARTICLE 5. PERFORMANCE OBLIGATIONS

Cost Responsibilities

Each Interconnection Customer will be responsible for its respective Invoice Share of the monthly costs incurred by System Owner in performing the Construction Services; *provided, however*, that the Interconnection Customer will not be responsible for any costs above the Interconnection Customer Common Upgrade Cost Cap, except as set forth in Article 5.1.3.

On a periodic basis as set forth in the Milestones in Appendix A, System Owner shall provide to the other Parties in writing an estimated estimate of its costs for performing the Construction Services. The updated cost estimate shall fully specify any additional services and

equipment required for the System Owner to perform the Construction Services and explain why these additional services and equipment are required.

If the System Owner's updated cost estimate as provided under Article 5.1.2 is greater than the estimated cost for such services as determined by the applicable Class Year Interconnection Facility Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Additional System Study, each Interconnection Customer's responsibility for any costs above its Interconnection Customer Common Upgrade Cost Cap shall be determined in accordance with, as applicable, Section 25.8.6 of Attachment S or Section [40.16.3] of Attachment HH to the ISO OATT. The Parties shall amend this Agreement if there are any changes to the Interconnection Customer Common Upgrade Cost Cap required by, as applicable, Section 25.8.6 of Attachment S or Section [40.16.3] of Attachment HH to the ISO OATT.

If the final cost incurred by the System Owner in performing the Construction Services is less than the estimated cost for such services as determined by the applicable Class Year Interconnection Facility Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Additional System Study and set forth in Appendix A, then the System Owner shall make a true-up payment to each Interconnection Customer pursuant to Article 6.2 to refund to the Interconnection Customer any costs that the Interconnection Customer has paid to the System Owner under Article 5.1.1 that are greater than its Invoice Share of the actual costs.

5.1.5 System Owner shall be solely responsible for its costs in performing the Construction Services that are not recoverable from Interconnection Customers under this Article 5.1.

5.2

5.2.1 Provision and Application of Security

If an Interconnection Customer accepted its Project Cost Allocation and posted to System Owner the Security for its Upgrades in the amount of its Interconnection Customer Common Upgrade Cost Cap at the conclusion of, as applicable, the Class Year Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Affected System Study, then that Interconnection Customer shall not be responsible for posting additional Security under this Agreement. The Interconnection Customer's Security shall be subject to the requirements of Attachment S or HH to the ISO OATT.

If an Interconnection Customer was not required to post Security to the System Owner in the amount of its Interconnection Customer Common Upgrade Cost Cap at the conclusion of, as applicable, the Class Year Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Affected System Study, then at least thirty (30) Calendar Days prior to the System Owner's commencement of the procurement, installation, or construction of a discrete portion of the Upgrades as such portion(s) are detailed in the Milestones in Appendix A, that Interconnection Customer shall provide System Owner, at the Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to System Owner and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 7.2 of this Agreement. Such security

for payment shall be in an amount sufficient to cover the costs for the Interconnection Customer's Invoice Share, and shall be reduced on a dollar-for-dollar basis for payments made to System Owner for these purposes.

In addition:

5.2.2.1 The guarantee must be made by an entity that meets the commercially reasonable creditworthiness requirements of System Owner, and contains terms and conditions that guarantee payment of any amount that may be due from the Interconnection Customer, up to an agreed-to maximum amount.

5.2.2.2 The letter of credit must be issued by a financial institution reasonably acceptable to System Owner and must specify a reasonable expiration date.

5.2.2.3 The surety bond must be issued by an insurer reasonably acceptable to System Owner and must specify a reasonable expiration date.

In the event an Interconnection Customer withdraws from the NYISO Interconnection Queue after accepting its Project Cost Allocation and posting Security for its Upgrades to System Owner the Security for its Upgrades or otherwise provided Security of its Upgrades under Article 5.2.2, the withdrawing Interconnection Customer's Security shall be subject to forfeiture to the extent required in Attachment HH to the ISO OATT and such withdrawing Interconnection Customer's participation under this Construction Agreement shall be terminated.

ARTICLE 6. INVOICE

6.1

General.

To the extent that any amounts are due to the Interconnection Customers or System Owner under this Agreement, the Interconnection Customers and System Owner, as applicable, shall submit to the other Party(ies), on a monthly basis, invoices of amounts due for the preceding month. Each invoice shall state the month to which the invoice applies and fully describe the services and equipment provided. For amounts due to the System Owner, System Owner shall invoice each Interconnection Customer for each Interconnection Customer's respective share of the costs associated with the Construction Services, in proportion to each Interconnection Customer's Invoice Share set forth in Appendix A. The Interconnection Customers and System Owner may discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all amounts one Party owes to another Party under this Agreement, including interest payments or credits, shall be netted so that only the net amount remaining due shall be paid by the owing Party.

Final Invoice and Refund of Remaining Security/Overpayment Amount

Within one hundred eighty (180) Calendar Days of the Completion Date, Interconnection Customers or System Owner, as applicable, shall provide a final invoice to the other Party of any remaining amounts due associated with the Construction Services. Within thirty (30) Calendar

Days of the later of: (i) an Interconnection Customer's payment of any final invoice to the System Owner, and (ii) the completion of the Construction Services, System Owner shall release or refund to the Interconnection Customer any remaining portions of its Security and any amount that Interconnection Customer has overpaid under this Article 6.

Payment.

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

Disputes.

6.4 In the event of a billing dispute between Parties, the Party owed money shall continue to perform under this Agreement as long as the other Party: (i) continues to make all payments not in dispute; and (ii) pays to the Party owed money or into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If the Party that owes money fails to meet these two requirements for continuation of service, then the Party owed money may provide notice to the other Party of a Default pursuant to Article 10. Within thirty (30) Calendar Days after the resolution of the dispute, the Party that owes money to the other Party shall pay the amount due with interest calculated in accord with the methodology set forth in FERC's Regulations at 18 C.F.R. § 35.19a(a)(2)(iii).

ARTICLE 7. REGULATORY REQUIREMENTS AND GOVERNING LAW

7.1

Regulatory Requirements

7.2.1 Each Party's obligations under this Agreement shall be subject to its receipt of any required approval or certificate from one or more Governmental Authorities in the form and substance satisfactory to the applying Party, or the Party making any required filings with, or providing notice to, such Governmental Authorities, and the expiration of any time period associated therewith. Each Party shall in good faith seek and use its Reasonable Efforts to obtain such other approvals. Nothing in this Agreement shall require a Party to take any action that could result in its inability to obtain, or its loss of, status or exemption under the Federal Power Act or the Public Utility Holding Company Act of 2005 or the Public Utility Regulatory Policies Act of 1978, as amended.

7.2.2 Governing Law.

The validity, interpretation and performance of this Agreement and each of its provisions shall be governed by the laws of the state of New York, without regard to its conflicts of law principles.

This Agreement is subject to all Applicable Laws and Regulations.

Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

ARTICLE 8. NOTICES

General.

7.2.3

Unless otherwise provided in this Agreement, any notice, demand or request required or permitted to be given by a Party to the other Parties and any instrument required or permitted to be tendered or delivered by a Party in writing to the other Parties shall be effective when
8.1 delivered and may be so given, tendered or delivered, by recognized national courier, or by depositing the same with the United States Postal Service with postage prepaid, for delivery by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out in Appendix B hereto.

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

Billings and Payments.

8.2

Billings and payments shall be sent to the addresses set out in Appendix B hereto.

Alternative Forms of Notice.

8.3

Any notice or request required or permitted to be given by a Party to the other Parties and not required by this Agreement to be given in writing may be so given by telephone or email to the telephone numbers and email addresses set out in Appendix B hereto.

ARTICLE 9. FORCE MAJEURE

Economic hardship is not considered a Force Majeure event. A Party shall not be responsible or liable, or deemed, in Default with respect to any obligation hereunder, other than the obligation to pay money when due, to the extent the Party is prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Parties in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this Article shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

ARTICLE 10. DEFAULT

General.

No Breach shall exist where such failure to discharge an obligation (other than the payment of money) is the result of Force Majeure as defined in this Agreement or the result of an act or omission of the other Parties. Upon a Breach, the non-Breaching Parties shall give written notice of such to the Breaching Party. The Breaching Party shall have thirty (30) Calendar Days from receipt of the Breach notice within which to cure such Breach; provided however, if such Breach is not capable of cure within thirty (30) Calendar Days, the Breaching Party shall commence such cure within thirty (30) Calendar Days after notice and continuously and diligently complete such cure within ninety (90) Calendar Days from receipt of the Breach notice; and, if cured within such time, the Breach specified in such notice shall cease to exist.

If an Interconnection Customer is the Breaching Party and the Breach results from a failure to provide payments or security under Article 5.2 and Article 6 of this Agreement, the other Interconnection Customer(s), either individually or in concert, may cure the Breach by paying the amounts owed or by providing adequate security, without waiver of contribution rights against the Breaching Interconnection Customer. Such cure for the Breach of an Interconnection Customer is subject to the reasonable consent of System Owner. System Owner may also cure such Breach by funding the Invoice Share amount related to the Breach of Interconnection Customer. System Owner must notify all Parties that it will exercise this option within thirty (30) Calendar Days of notification that an Interconnection Customer has failed to provide payments or security under Article 5.2 or Article 6.

10.2

Right to Terminate.

If a Breach is not cured as provided in this Article 10, or if a Breach is not capable of being cured within the period provided for herein, the non-Breaching Parties acting together shall thereafter have the right to declare a Default and terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not those Parties terminate this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which they are entitled at law or in equity.

Notwithstanding the foregoing, Default by one or more, but not all, Interconnection Customers shall not provide the other non-defaulting Interconnection Customer(s) either individually or in concert, with the right to terminate the entire Agreement. The non-Defaulting Party/Parties may, individually or in concert, initiate the removal of an Interconnection Customer that is a Defaulting Party from this Agreement. System Owner shall not terminate this Agreement or the participation of any Defaulting Interconnection Customer without provision being made for System Owner to be fully reimbursed for all of its costs incurred under this Agreement.

The provisions of this Article 10 will survive termination of this Agreement.

ARTICLE 11. INDEMNITY, CONSEQUENTIAL DAMAGES AND INSURANCE

Indemnity.

Each Party (the “Indemnifying Party”) shall at all times indemnify, defend, and save harmless, as applicable, the other Parties (each an “Indemnified Party”) from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person ~~11.1~~ or damage to property, the alleged violation of any Environmental Law, or the release or threatened release of any Hazardous Substance, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties (any and all of these a “Loss”), arising out of or resulting from (i) the Indemnified Party’s performance of its obligations under this Agreement on behalf of the Indemnifying Party, except in cases where the Indemnifying Party can demonstrate that the Loss of the Indemnified Party was caused by the gross negligence or intentional wrongdoing of the Indemnified Party or (ii) the violation by the Indemnifying Party of any Environmental Law or the release by the Indemnifying Party of any Hazardous Substance.

Indemnified Party.

11.1.1 If a Party is entitled to indemnification under this Article 11 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under Article 11.1.3, to assume the defense of such claim, such Indemnified Party may at the expense of the Indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

11.1.2 Indemnifying Party.

If an Indemnifying Party is obligated to indemnify and hold any Indemnified Party harmless under this Article 11, the amount owing to the Indemnified Party shall be the amount of ~~11.1.3~~ such Indemnified Party’s actual Loss, net of any insurance or other recovery.

Indemnity Procedures.

Promptly after receipt by an Indemnified Party of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in Article 11.1 may apply, the Indemnified Party shall notify the Indemnifying Party of such fact. Any failure of or delay in such notification shall not affect a Party’s indemnification obligation unless such failure or delay is materially prejudicial to the Indemnifying Party.

Except as stated below, the Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such Indemnifying Party and reasonably satisfactory to the Indemnified Party. If the defendants in any such action include one or more Indemnified Parties and the Indemnifying Party and if the Indemnified Party reasonably concludes that there may be legal defenses available to it and/or other Indemnified Parties which are different from or additional to those available to the Indemnifying Party, the Indemnified Party shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense

of such action on its own behalf. In such instances, the Indemnifying Party shall only be required to pay the fees and expenses of one additional attorney to represent an Indemnified Party or Indemnified Parties having such differing or additional legal defenses.

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

No Consequential Damages.

11.2 Other than the indemnity obligations set forth in Article 11.1, in no event shall any Party be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to another Party under separate agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

11.3

Insurance.

[If System Owner and Interconnection Customers agree pursuant to Article 3.1 of this Agreement for Interconnection Customers to be responsible for any of the Construction Services under this Agreement, the insurance requirements in this Article 11.3 shall be applicable to Interconnection Customers as well.]

The System Owner and, if applicable, each Interconnection Customer shall, at its own expense, procure and maintain in force throughout the period of this Agreement and until released by the other Parties, the following minimum insurance coverages, with insurance companies licensed to write insurance or approved eligible surplus lines carriers in the state of New York with a minimum A.M. Best rating of A or better for financial strength, and an A.M. Best financial size category of VIII or better:

Employers' Liability and Workers' Compensation Insurance providing statutory benefits in accordance with the laws and regulations of New York State.

Commercial General Liability ("CGL") Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage products and completed operations coverage, coverage for explosion, collapse and

underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available using Insurance Services Office, Inc. Commercial General Liability Coverage (“ISO CG”) Form CG 00 01 04 13 or a form equivalent to or better than CG 00 01 04 13, with minimum limits of Two Million Dollars (\$2,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage.

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

11.3.3

If applicable, the Commercial General Liability and Comprehensive Automobile Liability Insurance policies should include contractual liability for work in connection with construction or demolition work on or within 50 feet of a railroad, or a separate Railroad Protective Liability Policy should be provided.

11.3.4

Excess Liability Insurance over and above the Employers’ Liability, Commercial General Liability and Comprehensive Automobile Liability Insurance coverages, with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) per occurrence and Twenty Million Dollars (\$20,000,000) aggregate. The Excess policies should contain the same extensions listed under the Primary policies.

11.3.5

11.3.6 The Commercial General Liability Insurance, Comprehensive Automobile Insurance and Excess Liability Insurance policies of System Owner and, if applicable, each Interconnection Customer shall name the each other Party, its parent, associated and Affiliate companies and their respective directors, officers, agents, servants and employees (“Other Party Group”) as additional insureds using ISO CG Endorsements: CG 20 33 04 13, and CG 20 37 04 13 or CG 20 10 04 13 and CG 20 37 04 13 or equivalent to or better forms. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this Agreement against the Other Party Group and provide thirty (30) Calendar Days advance written notice to the Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.

The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Liability Insurance policies shall contain provisions that specify that the policies are primary and non-contributory. System Owner and, if applicable, each Interconnection Customer shall each be responsible for its respective deductibles or retentions.

11.3.9 The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Liability Insurance policies, if written on a Claims First Made Basis, shall be maintained in full force and effect for at least three (3) years after termination of this Agreement, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Interconnection Customers and System Owner.

If applicable, Pollution Liability Insurance in an amount no less than \$7,500,000 per occurrence and \$7,500,000 in the aggregate. The policy will provide coverage

for claims resulting from pollution or other environmental impairment arising out of or in connection with work performed on the premises by the other party, its contractors and and/or subcontractors. Such insurance is to include coverage for, but not be limited to, cleanup, third party bodily injury and property damage and remediation and will be written on an occurrence basis. The policy shall name the Other Party Group as additional insureds, be primary and contain a waiver of subrogation.

The requirements contained herein as to the types and limits of all insurance to be maintained by the System Owner and, if applicable, each Interconnection Customer are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by those Parties under this Agreement.

11.3.10

Within [insert term stipulated by the Parties] Calendar Days following execution of this Agreement, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) Calendar Days thereafter, Interconnection Customers and System Owner, as applicable, shall provide certificate of insurance for all insurance required in this Agreement, executed by each insurer or by an authorized representative of each insurer.

Notwithstanding the foregoing, either of System Owner and, if applicable, an Interconnection Customer may each self-insure to meet the minimum insurance requirements of Articles 11.3.1 through 11.3.9 to the extent it maintains a self-insurance program; provided that, such Party's senior debt is rated at investment grade, or better, by Standard & Poor's and that its self-insurance program meets the minimum insurance requirements of Articles 11.3.1 through 11.3.9. In the event that a Party is permitted to self-insure pursuant to this Article 11.3.12, it shall notify the other Party that it meets the requirements to self-insure and that its self-insurance program meets the minimum insurance requirements in a manner consistent with that specified in Articles 11.3.1 through 11.3.9 and provide evidence of such coverages. For any period of time that a Party's senior debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Party shall comply with the insurance requirements applicable to it under Articles 11.3.1 through 11.3.9.

Interconnection Customers and System Owner agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this Agreement.

Subcontractors of each party must maintain the same insurance requirements stated under Articles 11.3.1 through 11.3.9 and comply with the Additional Insured requirements herein. In addition, their policies must state that they are primary and non-contributory and contain a waiver of subrogation.

ARTICLE 12. ASSIGNMENT

Assignment.

This Agreement may be assigned by a Party only with the written consent of the other Parties; provided that a Party may assign this Agreement without the consent of the other Parties

to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; provided further that a Party may assign this Agreement without the consent of the other Parties in connection with the sale, merger, restructuring, or transfer of a substantial portion or all of its assets, so long as the assignee in such a transaction directly assumes in writing all rights, duties and obligations arising under this Agreement; and provided further that each Interconnection Customer shall have the right to assign this Agreement, without the consent of the NYISO or System Owner, for collateral security purposes to aid in providing financing for the Facility, provided that the Interconnection Customer will promptly notify the NYISO and System Owner of any such assignment. Any financing arrangement entered into by an Interconnection Customer pursuant to this Article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the NYISO and System Owner of the date and particulars of any such exercise of assignment right(s) and will provide the NYISO and System Owner with proof that it meets the requirements of Articles 5.2 and 11.3. Any attempted assignment that violates this Article is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

ARTICLE 13. SEVERABILITY

If any provision in this Agreement is finally determined to be invalid, void or unenforceable by any court or other Governmental Authority having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this Agreement.

ARTICLE 14. COMPARABILITY

The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

^{15.1}ARTICLE 15. CONFIDENTIALITY

Confidentiality.

Certain information exchanged by the Parties during the term of this Agreement shall constitute confidential information ("Confidential Information") and shall be subject to this Article 15.

^{15.2} If requested by a Party receiving information, the Party supplying the 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.

Term.

During the term of this Agreement, and for a period of three (3) years after the expiration or termination of this Agreement, except as otherwise provided in this Article 15, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

Confidential Information.

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

Scope.

Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this Agreement; or (6) is required, in accordance with Article 15.9 of this Agreement, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this 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.

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), subcontractors, employees, consultants, or to parties who may be considering providing financing to or equity participation with Interconnection Customers, or to potential purchasers or assignees of a Party, on a need-to-know basis in connection with this Agreement, unless such person has first been advised of the confidentiality provisions of this Article 15 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Article 15.

Rights.

Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other 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.

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.^{15.7}

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.^{15.8} Each Party may use Confidential Information solely to fulfill its obligations to the other Parties under this Agreement or its regulatory requirements, including the OATT and Services Tariff. The NYISO shall, in all cases, treat the information it receives in accordance with the requirements of Attachment F to the OATT.

Order of Disclosure.

^{15.9}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 this Agreement. 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.^{15.10}

Termination of Agreement.

Upon termination of this Agreement for any reason, each Party shall, within ten (10) Calendar Days of receipt of a written request from the other Parties, use Reasonable Efforts to destroy, erase, or delete (with such destruction, erasure, and deletion certified in writing to the other Parties) or return to the other Parties, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Parties pursuant to this Agreement.^{15.11}

Remedies.

The Parties agree that monetary damages would be inadequate to compensate a Party for another Party's Breach of its obligations under this Article 15. 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 Article 15, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Article 15, but shall be in addition to all other remedies

available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Article 15.

Disclosure to FERC, its Staff, or a State.

Notwithstanding anything in this Article 15 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 this Agreement or the 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 to this Agreement prior to the release of the Confidential Information to the Commission or its staff. The Party shall notify the other Parties to the Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time 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 if consistent with the applicable state rules and 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.

15.13

Required Notices Upon Requests or Demands for Confidential Information

Except as otherwise expressly provided herein, 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 other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Agreement, the OATT or the 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 Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

ARTICLE 16. INTERCONNECTION CUSTOMER AND SYSTEM OWNER NOTICES OF ENVIRONMENTAL RELEASES

Interconnection Customers and System Owner shall notify the other Parties, first orally and then in writing, of the release of any Hazardous Substances, any asbestos or lead abatement

activities, or any type of remediation activities related to the Upgrades, each of which may reasonably be expected to affect the other Parties. The notifying Party shall: (i) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than twenty-four hours after such Party becomes aware of the occurrence; and (ii) promptly furnish to the other Parties copies of any publicly available reports filed with any Governmental Authorities addressing such events.

ARTICLE 17. INFORMATION REQUIREMENT

Information Acquisition

Interconnection Customers and System Owner shall each submit specific information regarding the electrical characteristics of its facilities to the other Parties as described below and in accordance with Applicable Reliability Requirements.

Information Submission Concerning the Upgrades

17.2 The initial information submission by System Owner shall occur as specified in the Milestones in Appendix A and shall include New York State Transmission System information necessary to allow an Interconnection Customer to select equipment for its Facility and meet any system protection and stability requirements, unless otherwise mutually agreed to by the Interconnection Customers and System Owner. On a monthly basis, System Owner and Interconnection Customers shall each provide the other Parties a status report on the construction and installation of the Upgrades, including, but not limited to, the following information: (1) progress to date; (2) a description of the activities since the last report; (3) a description of the action items for the next period; and (4) the delivery status of equipment ordered.

17.3

Information Submission Concerning the Facility

The updated information submission by the Interconnection Customers, including manufacturer information, shall occur as specified in the Milestones in Appendix A. Each Interconnection Customer shall submit a completed copy, if applicable, of the Facility data requirements contained in Appendix 1 to the Standard Large Facility Interconnection Procedures or Appendix 1 to the Standard Interconnection Procedures. It shall also include any additional information provided to System Owner, as applicable, for the Class Year Interconnection Facilities Study, Class Year Deliverability Study, Cluster Study, Cluster Study Deliverability Study, or Affected System Study. Information in this submission shall be the most current Facility design or expected performance data. Information submitted for stability models shall be compatible with NYISO standard models. If there is no compatible model, the Interconnection Customer will work with a consultant mutually agreed to by the Parties to develop and supply a standard model and associated information.

If an Interconnection Customer's data is different from what was originally provided to System Owner and NYISO in, as applicable, its Interconnection Request or with its Affected System Study Agreement and this difference may be reasonably expected to affect the other Parties' facilities or the New York State Transmission System, but does not require the submission of a new Interconnection Request, then that Interconnection Customer will notify the NYISO, the other Interconnection Customer(s), and System Owner of such modifications.

Information Supplementation

The Interconnection Customers and System Owner shall supplement the information submissions described above in this Article 17 with any and all “as built” information or “as tested” performance information that differs from the initial submissions or, alternatively, written confirmation that no such differences exist.

17.4

ARTICLE 18. INFORMATION ACCESS AND AUDIT RIGHTS

Information Access.

Each Party (“Disclosing Party”) shall make available to another Party (“Requesting Party”) information that is in the possession of the Disclosing Party and is necessary in order for the Requesting Party to: (i) verify the costs incurred by the Disclosing Party for which the Requesting Party is responsible under this Agreement; and (ii) carry out its obligations and responsibilities under this Agreement. The Parties shall not use such information for purposes other than those set forth in this Article 18.1 and to enforce their rights under this Agreement.

18.1

Reporting of Non-Force Majeure Events.

Each Party (the “Notifying Party”) shall notify the other Parties when the Notifying Party becomes aware of its inability to comply with the provisions of this Agreement for a reason other than a Force Majeure event. The Parties agree to cooperate with each other and provide necessary information regarding such inability to comply, including the date, duration, reason for the inability to comply, and corrective actions taken or planned to be taken with respect to such inability to comply. Notwithstanding the foregoing, notification, cooperation or information provided under this Article shall not entitle the Party receiving such notification to allege a cause for anticipatory breach of this Agreement.

18.2

18.3

Audit Rights.

Subject to the requirements of confidentiality under Article 15 of this Agreement, each Party shall have the right, during normal business hours, and upon prior reasonable notice to another Party, to audit at its own expense the other Party’s accounts and records pertaining to the other Party’s performance or satisfaction of its obligations under this Agreement. Such audit rights shall include audits of the other Party’s costs and calculation of invoiced amounts. Any audit authorized by this Article shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that relate to the Party’s performance and satisfaction of obligations under this Agreement. Each Party shall keep such accounts and records for a period equivalent to the audit rights periods described in Article 18.4 of this Agreement.

18.4

18.5

Audit Rights Periods.

Audit Rights Period for Construction-Related Accounts and Records.

Accounts and records related to the design, engineering, procurement, and construction of the Upgrades shall be subject to audit for a period of twenty-four months following the issuance of a final invoice in accordance with Article 6.1 of this Agreement.

Audit Rights Period for All Other Accounts and Records.

Accounts and records related to a Party's performance or satisfaction of its obligations under this Agreement other than those described in Article 18.4.1 of this Agreement shall be subject to audit as follows: (i) for an audit relating to cost obligations, the applicable audit rights period shall be twenty-four months after the auditing Party's receipt of an invoice giving rise to such cost obligations; and (ii) for an audit relating to all other obligations, the applicable audit rights period shall be twenty-four months after the event for which the audit is sought.

Audit Results.

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

ARTICLE 19. SUBCONTRACTORS

General.

19.1

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

19.2

Responsibility of Principal.

The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. The hiring Party shall be fully responsible to the other Parties for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; provided, however, that in no event shall the NYISO or System Owner be liable for the actions or inactions of an Interconnection Customer or its subcontractors with respect to obligations of Interconnection Customers under Article 3 of this Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

19.3

No Limitation by Insurance.

20.1

The obligations under this Article 19 will not be limited in any way by any limitation of subcontractor's insurance.

ARTICLE 20. DISPUTES

Submission.

In the event any Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement or its 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 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 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 this Agreement.

External Arbitration Procedures.

20.2 Any arbitration initiated under this Agreement shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) Calendar Days of the submission of the Dispute to arbitration, the Parties shall invoke the assistance of the FERC’s Dispute Resolution Service to select an arbitrator. In each case, the arbitrator(s) 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 Article 20, the terms of this Article 20 shall prevail.

20.3

Arbitration Decisions.

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change any provision of this Agreement in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the 20.4 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(s) must also be filed with FERC if it affects jurisdictional rates, terms and conditions of service, or Upgrades.

20.5

Costs.

Each Party shall be responsible for its own costs incurred during the arbitration process and its per capita share of the costs of the single arbitrator.

Termination.

Notwithstanding the provisions of this Article 20, any Party may terminate this Agreement in accordance with its provisions or pursuant to an action at law or equity. The issue of whether such a termination is proper shall not be considered a Dispute hereunder.

ARTICLE 21. REPRESENTATIONS, WARRANTIES AND COVENANTS

General.

Each Party makes the following representations, warranties and covenants:

21.1 Good Standing.

Such Party is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the State of New York; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted, to enter into this Agreement and carry out the transactions contemplated hereby, and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

Authority.

21.1.2

Such Party has the right, power and authority to enter into this Agreement, to become a Party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).

21.1.3

No Conflict.

The execution, delivery and performance of this Agreement does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.

Consent and Approval.

Such Party has sought or obtained, or, in accordance with this Agreement will seek or obtain, each consent, approval, authorization, order, or acceptance by any Governmental Authority in connection with the execution, delivery and performance of this Agreement, and the Party will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

ARTICLE 22. MISCELLANEOUS

Binding Effect.

This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the Parties hereto.

Conflicts.

If there is a discrepancy or conflict between or among the terms and conditions of the body of this Agreement and the Appendices hereto, the terms and conditions of the body of this Agreement shall be given precedence over the Appendices, except as otherwise expressly agreed ~~22.3~~ in writing by the Parties.

Rules of Interpretation.

This Agreement, unless a clear contrary intention appears, shall be construed and ~~22.3~~ interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article of this Agreement or such Appendix to this Agreement, or such Section to the Standard Interconnection Procedures or such Appendix to the Standard Interconnection Procedures as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but ~~22.4~~ excluding" and "through" means "through and including".

Compliance.

Each Party shall perform its obligations under this Agreement in accordance with Applicable Laws and Regulations, Applicable Reliability Requirements, the OATT and Good Utility Practice. To the extent a Party is required or prevented or limited in taking any action by ~~22.3~~ such regulations and standards, such Party shall not be deemed to be in Breach of this Agreement for its compliance therewith. When any Party becomes aware of such a situation, it shall notify the other Parties promptly so that the Parties can discuss the amendment to this Agreement that is appropriate under the circumstances.

Joint and Several Obligations.

Except as otherwise stated herein, the obligations of NYISO, each Interconnection Customer, and System Owner are several, and are neither joint nor joint and several.

Entire Agreement.

This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement among the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, among the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants that constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

No Third Party Beneficiaries.

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

Waiver.

22.8 The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by any Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement for any reason by an Interconnection Customer shall not constitute a waiver of such Interconnection Customer's legal rights to obtain Capacity Resource Interconnection Service and Energy Resource Interconnection Service from the NYISO and the relevant System Owner in accordance with the relevant Interconnection Agreement and the provisions of the OATT. Any waiver of this Agreement shall, if requested, be provided in writing.

Headings.

22.10 The descriptive headings of the various Articles of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.

Multiple Counterparts.

22.11

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

22.12

Amendment.

The Parties may by mutual agreement amend this Agreement, by a written instrument duly executed by all of the Parties.

Modification by the Parties.

The Parties may by mutual agreement amend the Appendices to this Agreement, by a written instrument duly executed by all of the Parties. Such an amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.

Reservation of Rights.

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

No Partnership.

22.14

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership among the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, any other Party.

22.15

Other Transmission Rights.

Notwithstanding any other provision of this Agreement, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, or transmission congestion rights that Interconnection Customers shall be entitled to, now or in the future under any other agreement or tariff as a result of or otherwise associated with, the transmission capacity, if any, created by the Upgrades.

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

**New York Independent System Operator,
Inc.**

By: _____

Name: _____

Title: _____

Date: _____

[Insert Name of System Owner]

By: _____

Name: _____

Title: _____

Date: _____

[Insert Name of Interconnection Customer]

By: _____

Name: _____

Title: _____

Date: _____

[Insert Name of Interconnection Customer]

By: _____

Name: _____

Title: _____

Date: _____

APPENDICES

Appendix A

Construction Services

Appendix B

Addresses for Delivery of Notices and Billings

Appendix C

In-Service Date

APPENDIX A

CONSRUCTION SERVICES

1. Upgrades

[Insert description of Upgrades and specify Interconnection Customers' and System Owner's responsibilities to design, procure, and construction Upgrades]

2. Security and Interconnection Customers' Common Upgrades Cost Cap

[Insert table indicating Interconnection Customers' Common Upgrades Cost Cap amount and insert description of security provided by Interconnection Customers to System Owner for Upgrades]

3. Invoice Share

[Insert table indicating each Interconnection Customer's Invoice Share percentage reflecting each Interconnection Customer's cost responsibility for the Upgrades]

4. Milestones

Item	Milestone	Date	Responsible Party
1.	[insert milestones]	[insert date]	
2.	In-Service Date	[insert date]	
3.	Completion Date	[insert date]	

5. Estimated Tax Liability

[If applicable]

APPENDIX B

ADDRESSES FOR DELIVERY OF NOTICES AND BILLINGS

Notices:

NYISO:

[To be supplied.]

System Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Billings and Payments:

System Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Alternative Forms of Delivery of Notices (telephone, facsimile or email):

NYISO:

[To be supplied.]

System Owner:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

Interconnection Customer:

[To be supplied.]

APPENDIX C
IN-SERVICE DATE

[Date]

[Insert NYISO address]

[Insert System Owner address]

[Insert Interconnection Customer addresses]

Re: [Insert project name] Upgrades

Dear _____:

On **[Date]** **[System Owner/Interconnection Customers]** has completed the Upgrades. This letter confirms that **[describe Upgrades]** have commenced service, effective as of **[Date plus one day]**.

Thank you.

[Signature]

[Interconnection Customers'/System Owner's Representative(s)]