

**Salt River Project Agricultural
Improvement and Power District
Standard Generator Interconnection Procedures (GIP)**



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APPENDIX 1 TO GIP INTERCONNECTION REQUEST FORM FOR A GENERATING FACILITY

APPENDIX 2 TO THE GIP NON-DISCLOSURE AGREEMENT

APPENDIX 3.1 TO GIP CLUSTER SYSTEM IMPACT STUDY AGREEMENT

APPENDIX 3.2 TO GIP POINT OF INTERCONNECTION FACILITIES STUDY AGREEMENT

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APPENDIX 3.6 TO GIP GENERATOR REPLACEMENT STUDY AGREEMENT

APPENDIX 4 TO THE GIP GENERATOR REPLACEMENT COORDINATOR

Section 1 Definitions.

Capitalized terms in this GIP shall have the meaning set forth herein or in Part I of the Tariff. Where meanings conflict, the meaning herein shall prevail.

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

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

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

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

Ancillary Services shall mean those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the Transmission Provider's Transmission System in accordance with Good Utility Practice.

Application Fee shall mean a non-refundable payment of five thousand dollars (\$5,000).

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

Applicable Reliability Standards shall mean the North American Electric Reliability Corporation (NERC) mandatory reliability standards, the Western Electric Coordinating Council (WECC) regional criteria and the Balancing Authority procedures and requirements.

Balancing Authority shall mean, as such definition may be amended from time to time by NERC, the responsible entity that integrates resource plans ahead of time, maintains load interchange-generation balancing 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 as such definition may be amended from time to time by NERC.

Base Case shall mean the base case power flow, short circuit, and stability data bases used for the Interconnection Studies by the Transmission Provider or Interconnection Customer.

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

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

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

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

Cluster shall mean a group of one or more Interconnection Requests that are studied together for the purpose of conducting the Cluster System Impact Study and Network Upgrade(s) Facilities Study.

Cluster Request Window shall mean the time period set forth in Section 3.2 of this GIP.

Cluster System Impact Study shall mean a study that evaluates the impact of the proposed interconnections in a Cluster Request Window on the safety and reliability of Transmission Provider's Transmission System and, if applicable, an Affected System. The Cluster System Impact Study shall identify and detail the system impacts that would result if the Generating Facilities within the Cluster Request Window were interconnected without project modifications and/or system modifications and focusing on the Adverse System Impacts or to study potential impacts, including but not limited to those identified in the Scoping Meeting as described in this GIP.

Cluster System Impact Study Agreement shall mean the form of agreement contained in Appendix 3.1 to this GIP for conducting the Cluster System Impact Study.

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

Commercial Operation Date of a unit shall mean the date on which the Generating Facility commences Commercial Operation as agreed to by the Parties pursuant to Appendix E to the GIA.

Commercial Readiness Demonstration shall have the meaning set forth in Section 3.3.1(vii) of this GIP and in SRP's Business Practices posted on OASIS.

Commercial Readiness Milestone shall mean payments to Transmission Provider throughout the Interconnection Study process as set forth in Section 0 of this GIP and in SRP's Business Practices posted on OASIS.

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

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

Critical Energy Infrastructure Information shall mean specific engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure that: (a) relates details about the production, generation, transportation, transmission, or distribution of

energy; (b) could be useful to a person in planning an attack on critical infrastructure; (c) is exempt from mandatory disclosure under the Freedom of Information Act, 5 U.S.C. § 552; and (d) does not simply give the general location of the critical infrastructure.

Customer Engagement Window shall mean the time period set forth in Section 3.4 of this GIP.

Decision Point I shall mean the period beginning when the Transmission Provider tenders the Cluster System Impact Study report to the Interconnection Customer, including cost estimates for upgrades and concluding fifteen (15) Calendar Days after tendering the Cluster System Impact Study report.

Decision Point II shall mean the period beginning when the Transmission Provider tenders the Network Upgrade(s) Facilities Study report to Interconnection Customer, including costs estimates for upgrades, and concluding fifteen (15) Calendar Days after tendering the Network Upgrade(s) Facilities Study report.

Deposit in Lieu of Commercial Readiness as explained further in SRP's Business Practice posted on OASIS, shall mean a deposit of cash or an irrevocable letter of credit in the amount of seventy-five thousand dollars (\$75,000) per MW of requested Generating Facility Capacity not to exceed seven million five hundred thousand dollars (\$7,500,000). The Deposit in Lieu of Commercial Readiness will be applied toward future construction costs and Network Upgrade(s). If Interconnection Customer withdraws or is withdrawn pursuant to Section 3.9.1 of this GIP, the Deposit in Lieu of Commercial Readiness will be held as collateral until Interconnection Customer pays its Withdrawal Penalty.

Deposit in Lieu of Site Control as explained further in SRP's Business Practice posted on OASIS, shall mean a deposit of cash or an irrevocable letter of credit in the amount of five hundred thousand dollars (\$500,000) that Interconnection Customers can pay if the Interconnection Customer is unable to demonstrate Site Control due to regulatory limitations. The Deposit in Lieu of Site Control will be applied toward future construction costs and Network Upgrade(s).

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

Dispute Resolution shall mean the procedure for resolution of a dispute between the Parties in which they will first attempt to resolve the dispute on an informal basis.

Distribution System shall mean the Transmission Provider's facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which distribution systems operate differ among areas.

Distribution Upgrade(s) shall mean the additions, modifications, and upgrades to the Transmission Provider's Distribution System at or beyond the Point of Interconnection to facilitate interconnection of the Generating Facility. Distribution Upgrade(s) do not include Interconnection Facilities.

Effective Date shall mean the date on which the GIA becomes effective upon execution by all Parties.

Effective Date of GIP shall mean the date of SRP Board approval of the GIP reform as published on SRP's OASIS.

Electric Storage Resource shall mean a resource capable of receiving electric energy from the grid or onsite generation and storing it for later injection of electric energy back to the grid.

Emergency Condition shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of a Transmission Provider, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to Transmission Provider's Transmission System, Transmission Provider's Interconnection Facilities or the electric systems of others to which the Transmission Provider's Transmission System is directly connected; or (3) that, in the case of Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Generating Facility or Interconnection Customer's Interconnection Facilities. System restoration and black start shall be considered Emergency Conditions; provided Interconnection Customer is not obligated by the GIA to possess black start capability.

Engineering, Procurement, and Construction Agreement (EPC) shall mean an agreement that authorizes the Transmission Provider to begin engineering and procurement of long lead time items and construction necessary for the establishment of the interconnection in order to advance the implementation of the Interconnection Request.

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

Existing Generating Facility shall mean a Generating Facility that is currently in-service or under construction with an unsuspended GIA.

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

FERC shall mean the Federal Energy Regulatory Commission 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 for the production and/or storage for later injection of electricity identified in the Interconnection Request, but shall not include the Interconnection Customer's Interconnection Facilities. A Generating Facility may consist of one or more generating unit(s) and/or storage device(s) which can operate independently and be brought online or taken offline individually.

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

Generating Facility Modification shall mean modification to the Existing Generating Facility, including comparable replacement of only a portion of the equipment at the Existing Generating Facility.

Generation Replacement shall mean replacement of one or more generating units and/or storage devices at an Existing Generating Facility with one or more new generating units and/or storage devices at the same Point of Interconnection as those being decommissioned and disconnected. The replacement facility may be of a different fuel type or a combination of different fuel types, but in no case shall increase the total aggregate authorized MW level stated in the interconnection agreement or, if the Existing Generating Facility does not have a GIA, the authorized nameplate MW rating capacity of the Existing Generating Facility.

Generator Replacement Coordinator shall mean the independent entity selected pursuant to the terms of Appendix 4 to this GIP.

Generator Replacement Interconnection Facilities Study shall mean a study to determine a list of facilities to grant an Interconnection Customer's request to interconnect a Replacement Generating Facility, the cost of those facilities, and the time required to interconnect those facilities. The scope of the study is set forth in Section 3.11.7 of this GIP.

Generator Replacement Study Agreement shall mean the form of agreement contained in Appendix 3.6 to this GIP for conducting the Generator Replacement Study.

GIA shall mean the form of interconnection agreement applicable to an Interconnection Request pertaining to a Generating Facility that is included in the Transmission Provider's Tariff.

GIP shall mean the interconnection procedures applicable to an Interconnection Request pertaining to a Generating Facility that are included in the Transmission Provider's Tariff.

Good Utility Practice shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region, including those practices as required by the Federal Power Act section 215(a)(4).

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 a Party, its respective facilities, or the respective services it provides, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power.

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

In-Service Date shall mean the date upon which Transmission Provider's Interconnection Facilities will be energized and back feed power will be available to Interconnection Customer.

Interconnection Customer shall mean an entity, including the Transmission Provider, Transmission Owner or any of the Affiliates or subsidiaries of either, or representative of an Existing Generating Facility, that proposes to interconnect its Generating Facility or Replacement Generating Facility with the Transmission Provider's Transmission System.

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

Interconnection Facilities shall mean Transmission Provider's Interconnection Facilities and the Interconnection Customer's Interconnection Facilities.

Interconnection Facilities Study(ies) shall mean a study conducted by the Transmission Provider or its third-party consultant to determine a list of facilities (including Transmission Provider's Interconnection Facilities and Network Upgrade(s) as identified in the Interconnection System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with the Transmission Provider's Transmission System. The scope of the study is set forth in Section 8 of this GIP.

Interconnection Request shall mean an Interconnection Customer's request, in the form of Appendix 1 to this GIP, to interconnect a new Generating Facility, or to increase the capacity of, or make a Material Modification to the operating characteristics of, an Existing Generating Facility, or to a Replacement Generating Facility that is interconnected with the Transmission Provider's Transmission System.

Interconnection Service shall mean the service provided by the Transmission Provider associated with interconnecting the Interconnection Customer's Generating Facility to the Transmission Provider's Transmission System and enabling the Transmission Provider to receive electric energy and capacity from the Generating Facility at the Point of Interconnection, pursuant to the terms of the GIA and, if applicable, the Transmission Provider's Tariff. Interconnection Service does not convey transmission service.

Interconnection Study shall mean any of the following studies: the Cluster System Impact Study, the Generator Replacement Interconnection Facilities Study, the Interconnection System Impact Study, the Network Upgrade(s) Facilities Study, the Point of Interconnection Facilities Study, the Reliability Assessment Study, the Replacement Impact Study, the Transitional Facilities Study, and the Transitional System Impact Study described in this GIP and in SRP's Business Practices posted on OASIS.

Interconnection System Impact Study shall mean an engineering study completed prior to the Effective Date of GIP that evaluates the impact of the proposed interconnection on the safety and reliability of Transmission Provider's Transmission System and, if applicable, an

Affected System. The study will identify and detail the system impacts that would result if the Generating Facility were interconnected without project modifications or system modifications, focusing on the Adverse System Impacts or to study potential impacts, including but not limited to those identified in the Scoping Meeting.

Inverter-Based Resource shall mean any technology that requires an inverter to convert direct current (DC) electricity into alternating current (AC) electricity and is directly connected to the bulk power system. An Inverter-Based Resource may be a Generating Facility and/or Electric Storage Resource.

Joint Participation Project shall mean those transmission facilities that SRP has an ownership interest in with other entities.

Load-Serving Entity shall mean any entity who secures energy and Transmission Service (and related interconnection operations services) to serve the electrical demand and energy requirements of its end-use customers.

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

Material Modification shall mean: (1) modification to an Interconnection Request in the queue that has a material impact on the cost or timing of any other Interconnection Request with a later or equal Queue Position; or (2) a planned modification to an Existing Generating Facility that is undergoing evaluation for a Generating Facility Modification or Generation Replacement, and that has a material impact on the Transmission System, as compared to the impacts of the Existing Generating Facility prior to the modification or replacement. The evaluation may consist of various analyses, including but not limited to, power flow, transient and post-transient stability, power factor, and a short circuit analysis.

Maximum Capacity shall mean the maximum megawatt capacity that the Generating Facility will generate at the Point of Interconnection as verified by the Transmission Provider.

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

Network Upgrade(s) shall mean the additions, modifications, and upgrades to the Transmission Provider's Transmission System required at or beyond the point at which the Interconnection Facilities connect to the Transmission Provider's Transmission System to accommodate the interconnection of the Generating Facility to the Transmission Provider's Transmission System.

Network Upgrade(s) Facilities Study shall mean a study conducted by Transmission Provider or its third-party consultant to determine a list of facilities (including Transmission Provider's Interconnection Facilities and Network Upgrade(s) as identified in the Cluster System Impact Study), the cost of those facilities, and the time required to interconnect the Generating Facility with Transmission Provider's Transmission System. The scope of the study is set forth in Section 8 of this GIP.

Network Upgrade(s) Facilities Study Agreement shall mean the form of agreement contained in Appendix 3.3 of this GIP for conducting the Network Upgrade(s) Facilities Study.

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

Open Access Same-Time Information System (OASIS) shall mean the information system posted on the internet as maintained by the Transmission Provider.

Operating Agent shall mean SRP acting on behalf of itself and the participants of a Joint Participation Project.

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

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

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

Point of Interconnection Facilities Study shall mean an interconnection study, done in parallel with the Cluster System Impact Study, that will determine the estimated cost and time to construct Transmission Provider's Interconnection Facilities. The Point of Interconnection Facilities Study is set forth in Section 8 of this GIP.

Point of Interconnection Facilities Study Agreement shall mean the form of agreement contained in Appendix 3.2 of this GIP for conducting the Point of Interconnection Facilities Study.

Point of Interconnection Costs are defined as those costs of Transmission Provider's Interconnection Facilities and any common facilities use fee(s).

Pre-Study Period shall mean the time period set forth in Section 3.4.1 of this GIP.

Queue Position shall mean the order of a valid Interconnection Request, relative to all other Interconnection Requests, that is established based upon the date and time of an Interconnection Request and is validated in accordance with Section 3 of this GIP.

Readiness Milestone 0 (M0) shall mean a payment of cash by Interconnection Customer to Transmission Provider for the Application Fee, and Study Deposit as provided for in this GIP and in SRP's Business Practices posted on OASIS.

Readiness Milestone 1 (M1) as provided for in this GIP and in SRP's Business Practices posted on OASIS, shall mean a payment of cash or an irrevocable letter of credit by Interconnection Customer to Transmission Provider in an amount equal to thirty percent (30%) of the cost allocation for the costs of the Network Upgrade(s), and the Point of Interconnection costs as estimated in the Cluster System Impact Study and Point of Interconnection Facilities Study. M1 payments may be zero (0) but cannot be a negative number.

Readiness Milestone 2 (M2) as provided for in this GIP and in SRP's Business Practices posted on OASIS, shall mean a payment of cash or an irrevocable letter of credit by Interconnection Customer to Transmission Provider in an amount equal to sixty percent (60%) of the cost allocation for the costs of the Network Upgrade(s) and Point of Interconnection costs to the extent not already paid in M1.

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

Reliability Assessment Study shall mean an engineering study that evaluates the impact of a proposed Generation Replacement on the reliability of the Transmission System during the time period between the date that the Existing Generating Facility ceases commercial operations and the Commercial Operation Date of the Replacement Generating Facility.

Replacement Generating Facility shall mean a Generating Facility that replaces an Existing Generating Facility, or a portion thereof, at the same Point of Interconnection pursuant to Section 3.11 of this GIP.

Replacement Impact Study shall mean an engineering study that evaluates the impact of a proposed Generation Replacement on the reliability of the Transmission System.

Requested In-Service Date shall mean the Interconnection Customer's requested In-Service Date.

Requested Initial Synchronization Date shall mean the Interconnection Customer's requested Initial Synchronization Date.

Requested Maximum Capacity shall mean the Interconnection Customer's requested total Maximum Capacity at the Point of the Interconnection.

Re-Study(ies) shall mean the partial or complete reassessment of an Interconnection Study. The results of a Re-Study(ies) supersede and replace in whole or in part the results of the preceding Interconnection Study.

Security Deposit shall mean a payment of cash or an irrevocable letter of credit by Interconnection Customer to Transmission Provider in the amount of one hundred thousand dollars (\$100,000) in accordance with this GIP and SRP's Business Practices posted on OASIS.

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

Seven Year Queue Limit shall mean that date seven (7) years from the Interconnection Customer's Queue Position date, upon which the Generating Facility is fixed at its Maximum Capacity or the then-current amount of capacity.

Shared Network Upgrade(s) shall mean a Network Upgrade that has been assigned to an Interconnection Customer(s) and is subsequently identified as necessary to accommodate the interconnection of the Generating Facility of an Interconnection Customer(s) in a later Cluster and meets the requirements pursuant to the process outlined in this GIP and SRP's Business Practice(s).

Site Control shall mean the land right to develop, construct, operate and maintain the Generating Facility, or the land right to develop, construct, operate and maintain the Generating Facility and the Interconnection Customer's Interconnection Facilities in accordance with this GIP and SRP's Business Practice posted on OASIS.

SRP Board shall mean the SRP District Board of Directors.

SRP's Business Practice(s) shall mean one or more business practices of SRP as posted on SRP's OASIS.

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

Study Deposit as provided for in this GIP and in SRP's Business Practices posted on OASIS shall mean a seventy-five thousand dollar (\$75,000) payment, plus a one thousand dollar (\$1,000) per MW of requested Generating Facility Capacity payment. The Study Deposit shall not exceed two hundred fifty thousand dollars (\$250,000). The Study Deposit is refundable, less any expended amounts, unless Interconnection Customer withdraws or is withdrawn pursuant to this GIP.

Surplus Interconnection Service shall mean any unneeded portion of Interconnection Service established in a GIA, such that if Surplus Interconnection Service is utilized, the total amount of Interconnection Service at the Point of Interconnection would remain the same.

Tariff shall mean the SRP open access transmission tariff as amended or modified from time to time.

Transitional Facilities Study shall mean a study to determine a list of facilities (including Transmission Provider's Interconnection Facilities and Network Upgrade(s)), the cost of those facilities, and the time required to interconnect the Generating Facility with Transmission Provider's Transmission System. The scope of the study is set forth in [Section 6.3.2](#) of this GIP.

Transitional Facilities Study Agreement shall mean the form of agreement contained in Appendix 3.5 of this GIP for conducting the Transitional Facilities Study.

Transition Process shall mean the process provided in [Section 6](#) of this GIP for Interconnection Requests submitted before the Effective Date of the GIP.

Transitional System Impact Study shall mean an Interconnection Study evaluating the impact of the proposed interconnection on the safety and reliability of Transmission Provider's Transmission System and, if applicable, an Affected System, as set forth in Section 6.2 of this GIP.

Transitional System Impact Study Agreement shall mean the form of agreement contained in Appendix 3.4 of this GIP for conducting the Transitional System Impact Study.

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

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

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

Transmission System shall mean the facilities owned, controlled or operated by the Transmission Provider or Transmission Owner that are used to provide transmission service under the Tariff.

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

WECC is the Western Electric Coordinating Council or its successor organization.

Withdrawal Penalty shall mean the penalty assessed by Transmission Provider to an Interconnection Customer that chooses to withdraw from the queue or does not otherwise reach commercial operation. The calculation of the Withdrawal Penalty is set forth in Section 3.9.1 of this GIP.

Section 2 Scope and Application.

2.1 Application of the GIP.

Section 2 through Section 12 apply to processing an Interconnection Request pertaining to a Generating Facility, including, but not limited to, a Generating Facility Modification that may constitute a Material Modification to the operating characteristics of an Existing Generating Facility, or a Replacement Generating Facility. See SRP's Business Practice posted on OASIS to request additional information regarding the interconnection process.

A request for a Replacement Generating Facility shall be evaluated pursuant to Section 3.11 of this GIP.

A request for Generating Facility Modification for an Existing Generating Facility must be submitted to and coordinated with Transmission Provider to allow Transmission Provider to determine whether the proposed modification constitutes a Material Modification. If Transmission Provider determines that the proposed Generating Facility Modification is a Material Modification, then the Generating Facility Modification request shall be submitted as a separate Interconnection Request pursuant to Section 3.3 of this GIP for that Generating Facility Modification. Such separate Interconnection Request shall be assigned a new Queue Position and proceed through the study process in the same manner as an Interconnection Request for a new Generating Facility.

See SRP's Business Practice posted on OASIS to request additional information regarding the interconnection process.

2.2 Comparability.

Transmission Provider shall receive, process and analyze all Interconnection Requests in a timely manner as set forth in this GIP. Transmission Provider will use the same Reasonable Efforts in processing and analyzing Interconnection Requests from all Interconnection Customers, regardless of whether the Generating Facilities are owned by Transmission Provider, its subsidiaries or Affiliates or others.

2.3 Base Case Data.

Transmission Provider shall maintain base power flow, short circuit and stability databases, including all underlying assumptions, and contingency list on either its OASIS site or a password-protected website, subject to confidentiality provisions in Section 12.1 of this GIP. In addition, Transmission Provider shall maintain network models and underlying assumptions on either its OASIS site or a password-protected website. Such network models and underlying assumptions should reasonably represent those used during the most recent interconnection study and be representative of current system conditions. If Transmission Provider posts this information on a password-protected website, a link to the information must be provided on Transmission Provider's OASIS site. Transmission Provider is permitted to require that Interconnection Customers, OASIS site users and password-protected website users sign a confidentiality agreement before the release of commercially sensitive information or Critical Energy Infrastructure Information in the Base Case data.

Such databases and lists, hereinafter referred to as Base Cases, shall include all: (i) generation projects; and (ii) transmission projects, including merchant transmission projects that are proposed for the Transmission System for which a transmission expansion plan has been submitted and approved by the applicable authority.

2.4 No Applicability to Transmission Service.

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

Section 3 Interconnection Requests.

3.1 General.

As further specified in SRP's Business Practices posted on OASIS, Interconnection Customer shall submit an Interconnection Request to Transmission Provider in the form of Appendix 1 to this GIP and satisfy M0.

Interconnection Customer shall submit a separate Interconnection Request for each site and may submit multiple Interconnection Requests for a single site. An Interconnection Request to evaluate one site at two different voltage levels shall be treated as two separate Interconnection Requests. Interconnection Customer must satisfy M0 as required in Section 3.3.1(iv) for each Interconnection Request even when more than one Interconnection Request is submitted for a single site. M0 is the payment of the: (i) Application Fee of five thousand dollars (\$5,000); and (ii) the Study Deposit of seventy-five thousand dollars (\$75,000), plus one thousand dollars (\$1,000) per MW of requested Generating Facility Capacity not to exceed two hundred fifty thousand dollars (\$250,000).

In accordance with Appendix 1 to this GIP, M0 shall be made by wire transfer of immediately available funds. The Study Deposit portion of M0 shall be applied toward all administrative and study work associated with the Interconnection Request.

At Interconnection Customer's option, Interconnection Customer may identify alternative Point(s) of Interconnection and configurations at the Scoping Meeting to evaluate with Transmission Provider and attempt to eliminate alternatives in a reasonable fashion given the resources and information available.

Interconnection Customer will select the definitive Point(s) of Interconnection to be studied no later than five (5) Calendar Days after the Scoping Meeting. During the Interconnection Study process, Transmission Provider may make reasonable changes to the requested Point of Interconnection to facilitate efficient interconnection of Interconnection Customers at common Point(s) of Interconnection and for improving reliability, lowering costs, or accommodating and ensuring reliable load service. Transmission Provider shall notify Interconnection Customers in writing of any intended changes to the requested Point of Interconnection and the Point of Interconnection shall only change upon mutual agreement, such agreement will not be unreasonably withheld.

Interconnection Customer may request a level of Interconnection Service below the Generating Facility Capacity. These requests for Interconnection Service shall be studied at the level of Interconnection Service requested for purposes of determining the necessary Interconnection Facilities, Network Upgrade(s), Shared Network Upgrade(s), and associated costs, but may be subject to other studies at the full Generating Facility Capacity to ensure safety and reliability of the

Transmission System, with the additional study costs borne by the Interconnection Customer. If after the additional studies are completed, Transmission Provider determines that additional Network Upgrade(s) are necessary, then Transmission Provider must: (1) specify which additional Network Upgrade(s) costs are based on which studies; and (2) provide a detailed explanation of why the additional Network Upgrade(s) are necessary. Any Interconnection Facilities and/or Network Upgrade(s) costs required for safety and reliability also will be borne by the Interconnection Customer. Interconnection Customers may be subject to additional control technologies as well as testing and validation of those technologies consistent with Article 8 of the GIA. The necessary control technologies and protection systems shall be established in Appendix C of the GIA.

3.2 Cluster Request Window.

Transmission Provider will accept Interconnection Requests during a twenty (20) Calendar Day period (the Cluster Request Window). The initial Cluster Request Window shall open for Interconnection Requests beginning January 15, 2024, following commencement of the Transition Process set out in Section 6 of this GIP. Successive Cluster Request Windows shall open annually every January 15 (or the following Business Day if January 15 falls on Saturday, Sunday or a federal holiday) and close twenty (20) Calendar Days thereafter (or the following Business Day if twenty (20) days after the Cluster Request Window open date falls on a Saturday, Sunday, or federal holiday). Prior to the opening of the Cluster Request Window, Transmission Provider may offer a public informational workshop to provide information regarding the interconnection process including, but not limited to, Interconnection Request requirements, Commercial Readiness Milestone(s), and deposits.

3.3 Valid Interconnection Request.

3.3.1 Initiating an Interconnection Request.

An Interconnection Customer seeking to join a Cluster shall submit its Interconnection Request to Transmission Provider within, and no later than, 11:59 p.m. MST on the close of the Cluster Request Window. To initiate a valid Interconnection Request, and for each Interconnection Request submitted to Transmission Provider, Interconnection Customer must submit all of the following for its proposed Generating Facility:

- (i) A completed Interconnection Request Form for a Generating Facility in the form of Appendix 1 to this GIP, including, but not limited to, the following information:
 - ❖ Generating Facility size (MW) (and requested Interconnection Service amount if the requested Interconnection Service is less than the Generating Facility Capacity);
 - ❖ If applicable: (1) the requested operating assumptions, such as charge and discharge parameters, to be used by Transmission Provider that reflect the proposed operation of the Electric Storage Resource or co-located resource containing an Electric Storage Resource (including a

hybrid resource); and (2) a description of any control technologies (software and/or hardware) that will limit the operation of the Electric Storage Resource or a co-located resource containing an Electric Storage Resource (including a hybrid resource) to its intended operation;

❖ A Point of Interconnection;

- (ii) An executed Cluster System Impact Study Agreement in the form of Appendix 3.1 to this GIP;
- (iii) An executed Point of Interconnection Facilities Study Agreement in the form of Appendix 3.2 to this GIP;
- (iv) MO;
- (v) Demonstration of Site Control for the Generating Facility as specified in SRP's Business Practice posted on OASIS. In the event that regulatory limitations prevent Interconnection Customer from obtaining Site Control, Interconnection Customer must provide: (1) a signed declaration from an officer of the company with power to bind the Interconnection Customer indicating that Site Control is unobtainable due to regulatory limitations; (2) documentation sufficiently describing and explaining the source and effects of such regulatory limitations, including a description of any conditions that must be met to satisfy regulatory requirements and the anticipated time by which Interconnection Customer expects to satisfy the regulatory requirements; and (3) a Deposit in Lieu of Site Control.

An Interconnection Customer that submits a Deposit in Lieu of Site Control must either demonstrate one hundred percent (100%) Site Control for its Generating Facility by Decision Point II or pay one hundred percent (100%) of Interconnection Customer's costs identified in the Cluster System Impact Study report, Network Upgrade(s) Facilities Study report and Point of Interconnection Facilities Study report by Decision Point II, as identified in SRP's Business Practice posted on OASIS. If Interconnection Customer does not demonstrate one hundred percent (100%) Site Control for its Generating Facility by Decision Point II or pay one hundred percent (100%) of Interconnection Customer's costs identified in the Cluster System Impact Study report, Network Upgrade(s) Facilities Study report and Point of Interconnection Facilities Study report by Decision Point II, its Interconnection Request will be deemed withdrawn, pursuant to Section 3.9 of this GIP.

- (vi) A Security Deposit of one hundred thousand dollars (\$100,000) in the form of cash or an irrevocable letter of credit. If an Interconnection Customer provides a Deposit in Lieu of Commercial Readiness, then the Deposit in Lieu of Commercial Readiness will be used to satisfy the Security Deposit.
- (vii) As further specified in SRP's Business Practice posted on OASIS, one of the following Commercial Readiness Demonstration options, accounting

for the Requested Maximum Capacity Interconnection Service in the Interconnection Request:

- ❖ **Option 1:** Executed contract binding upon the parties for the sale of: (1) the constructed Generating Facility to a Load-Serving Entity or to a commercial, industrial, or other large end-use customer; (2) the Generating Facility's energy where the term of sale is not less than five (5) years; or (3) the Generating Facility's Ancillary Services if the Generating Facility is an Electric Storage Resource where the term of sale is not less than five (5) years; or
- ❖ **Option 2:** Reasonable evidence (i.e., bid security held by a Load-Serving Entity) that the Generating Facility has been selected in a resource plan or resource solicitation process by or for a Load-Serving Entity, is being developed by a Load-Serving Entity, or is being developed for purposes of a sale to a commercial, industrial, or other large end-use customer.

If Interconnection Customer is unable to satisfy one of the preceding Commercial Readiness Demonstration options, Interconnection Customer shall provide a Deposit in Lieu of Commercial Readiness. If Interconnection Customer obtains Commercial Readiness after making the Deposit in Lieu of Commercial Readiness, the Deposit will be released less the Security Deposit and any Readiness Milestone payments.

- (viii) An executed Non-disclosure Agreement in the form of Appendix 2 or a written request to use an existing data sharing agreement between Interconnection Customer and Transmission Provider; and
- (ix) Written confirmation that the Interconnection Customer is authorized to transact business in Arizona.

Interconnection Customer shall promptly inform Transmission Provider of any material change to Interconnection Customer's demonstration of Site Control under Section 3.3.1(v) of this GIP or its satisfaction of a Commercial Readiness Demonstration as selected under Section 3.3.1(vii) of this GIP. If Transmission Provider determines, based on Interconnection Customer's information, that Interconnection Customer no longer satisfies Site Control or a Commercial Readiness Demonstration, Transmission Provider shall give Interconnection Customer ten (10) Business Days to demonstrate the applicable requirement to Transmission Provider's satisfaction. Absent such demonstration, Transmission Provider will deem the subject Interconnection Request withdrawn pursuant to Section 3.9 of this GIP.

If Interconnection Customer initially satisfied the Commercial Readiness Demonstration requirement and no longer meets one of the Commercial Readiness Demonstration options under Section 3.3.1(vii) later in the interconnection process, the Interconnection Customer shall provide a Deposit in Lieu of Commercial Readiness or its Interconnection Request shall be deemed withdrawn pursuant to Section 3.9 of this GIP.

3.3.2 Seven Year Queue Limit.

The Commercial Operation Date for either a new Generating Facility or an increase in the Maximum Capacity of an Existing Generating Facility shall not exceed the Seven Year Queue Limit. The Commercial Operation Date may be extended up to ten (10) years provided Interconnection Customer demonstrates to Transmission Provider's reasonable satisfaction that engineering, permitting and construction of the Generating Facility or increase in capacity of the Existing Generating Facility will take longer than seven (7) years. The Commercial Operation Date may succeed the date the Interconnection Request is received by Transmission Provider by more than ten (10) years only upon agreement between Interconnection Customer and Transmission Provider.

3.3.3 Acknowledgment of Interconnection Request.

Transmission Provider shall acknowledge receipt of the Interconnection Request within five (5) Business Days of receipt of the request.

3.3.4 Deficiencies in Interconnection Request.

An Interconnection Request is not a valid request until all items in Section 3.3.1 have been received and Transmission Provider provides written notice to Interconnection Customer stating that the Interconnection Request is a valid request within five (5) Business Days of receipt of the initial Interconnection Request.

If an Interconnection Request fails to meet the requirements set forth in Section 3.3.1 of this GIP, Transmission Provider shall notify Interconnection Customer within five (5) Business Days of receipt of the initial Interconnection Request of the reasons for such failure and that the Interconnection Request does not constitute a valid request. Interconnection Customer shall provide Transmission Provider the additional requested information needed to constitute a valid request within five (5) Business Days after receipt of such notice.

At any time, if Transmission Provider identifies that the technical data required under Section 3.3.1 of this GIP (including Generating Facility modeling data) provided by Interconnection Customer is incomplete or contains errors, Interconnection Customer and Transmission Provider shall work expeditiously and in good faith to remedy such technical and/or modeling data issues. Failure by Interconnection Customer to comply with this Section 3.3.4 shall be treated in accordance with Section 3.9 of this GIP.

3.4 Customer Engagement Window.

3.4.1 Pre-Study Period.

During the Customer Engagement Window (January to April of each year), and upon the close of each Cluster Request Window, Transmission Provider will open a sixty (60) Calendar Day period (the "Pre-Study Period," which ends upon the execution of a Cluster System Impact Study Agreement by Transmission Provider). During the Pre-Study Period, Transmission Provider will hold a Scoping

Meeting with all interested Interconnection Customers. Notwithstanding the preceding requirements and upon written consent of all Interconnection Customers within a Cluster, Transmission Provider may shorten the Pre-Study Period and Customer Engagement Window and begin the Cluster System Impact Study and Point of Interconnection Facilities Study. During the Customer Engagement Window, Transmission Provider will provide to Interconnection Customer a non-binding good faith estimate of the cost and timeframe for completing the studies.

3.4.2 Scoping Meeting.

During the Customer Engagement Window, Transmission Provider will host an open Scoping Meeting for all valid Interconnection Request(s) received in the Cluster Request Window.

The purpose of the Scoping Meeting shall be to discuss alternative interconnection options, to exchange information including any transmission data that would reasonably be expected to impact such interconnection options, and to analyze such information. In addition, an Interconnection Customer's request to evaluate whether advanced power flow control, transmission switching, dynamic line ratings, static synchronous compensators, static VAR compensators, and/or electric storage providing a transmission service that could provide cost and/or time savings for Interconnection Customer must be submitted by the Scoping Meeting. Transmission Provider and Interconnection Customer will bring to the Scoping Meeting such technical data, including, but not limited to: (i) general facility loadings; (ii) general instability issues; (iii) general short circuit issues; (iv) general voltage issues; and (v) general reliability issues as may be reasonably required to accomplish the purpose of the meeting.

Transmission Provider and Interconnection Customer will also bring to the Scoping Meeting personnel and other resources as may be reasonably required to accomplish the purpose of the Scoping Meeting in the time allocated for the meeting. Based on the Scoping Meeting, Interconnection Customer shall designate its Point of Interconnection and one alternative Point of Interconnection. Within five (5) Business Days following the Scoping Meeting Interconnection Customer shall request, in writing to the Transmission Provider, one (1) Point of Interconnection that will be studied. For the Point of Interconnection at a substation, the Interconnection Customer shall specify the substation name and voltage level. For the Point of Interconnection on a transmission line, the Interconnection Customer shall specify the transmission line name, voltage level, and GPS coordinates in decimal format.

3.4.3 Study.

Following the Customer Engagement Window, Transmission Provider shall initiate the Cluster System Impact Study and Point of Interconnection Facilities Study described in more detail in Section 7 and Section 8 of this GIP.

3.5 Readiness Milestones.

Satisfaction of the Readiness Milestones is required throughout the Interconnection Study process to demonstrate the readiness of Interconnection Customer to develop the Generating Facility. Satisfaction of M0 is required at the time Interconnection Customer submits an Interconnection Request. Satisfaction of M1 is required at Decision Point I. Satisfaction of M2 is required at Decision Point II. Notwithstanding the foregoing, if Interconnection Customer's Readiness Milestone payment will exceed five million dollars (\$5,000,000), Interconnection Customer may pay five million dollars (\$5,000,000) cash or provide a letter of credit for five million dollars (\$5,000,000) and pay the remainder of the Readiness Milestone fifteen (15) Calendar Days after Decision Point I or Decision Point II, respectively.

M0 is a payment of cash by Interconnection Customer to Transmission Provider for: (i) an Application Fee of five thousand dollars (\$5,000); and (ii) a Study Deposit consisting of seventy-five thousand dollars (\$75,000), plus one thousand dollars (\$1,000) per MW of requested Generating Facility Capacity. The Study Deposit shall not exceed two hundred fifty thousand dollars (\$250,000).

M1 is a payment of cash or an irrevocable letter of credit by Interconnection Customer to Transmission Provider in an amount equal to thirty percent (30%) of the estimated cost allocation identified in the Cluster System Impact Study report plus thirty percent (30%) of the estimated cost allocation identified in the Point of Interconnection Facilities Study report. M1 payments may be zero (0) but may not be a negative number.

M2 is a payment of cash or an irrevocable letter of credit by Interconnection Customer to Transmission Provider in an amount equal to sixty percent (60%) of the cost allocation for the costs of the Network Upgrade(s) and Point of Interconnection costs to the extent not already paid in M1. M2 payments may be zero (0) but may not be a negative number.

3.5.1 Application of Deposit in Lieu of Commercial Readiness.

A Deposit in Lieu of Commercial Readiness may be used to satisfy the Readiness Milestones of this [Section 0](#) unless the Interconnection Customer that has provided a Deposit in Lieu of Commercial Readiness elects to pay M1 and M2 with cash. An Interconnection Customer that fails to timely satisfy a Readiness Milestone requirement will have its Interconnection Request deemed withdrawn from the Cluster as described in [Section 3.9](#) of this GIP. If a project withdraws or is deemed withdrawn, M1 and M2 payments are subject to Withdrawal Penalties pursuant to [Section 3.9](#) of this GIP.

3.6 Utilization of Surplus Interconnection Service.

Transmission Provider will allow an Interconnection Customer to utilize or transfer Surplus Interconnection Service at an existing Point of Interconnection. The original Interconnection Customer or one of its Affiliates shall have priority to utilize Surplus Interconnection Service. If the existing Interconnection Customer or one

of its Affiliates does not exercise its priority, then that service may be made available to other potential Interconnection Customers.

3.6.1 Surplus Interconnection Service Requests.

Surplus Interconnection Service requests may be made by Interconnection Customer whose Existing Generating Facility or one of its Affiliates' Existing Generating Facility is already interconnected. Surplus Interconnection Service requests also may be made by another Interconnection Customer.

Transmission Provider will evaluate Interconnection Requests for Surplus Interconnection Service. Studies for Surplus Interconnection Service shall consist of reactive power, short circuit/fault duty, stability analyses, and any other appropriate studies.

Steady-state (thermal/voltage) analyses may be performed as necessary to ensure that all required reliability conditions are studied. If the Surplus Interconnection Service was not studied under off-peak conditions, off-peak steady state analyses shall be performed to the required level necessary to demonstrate reliable operation of the Surplus Interconnection Service. If the original Cluster System Impact Study is not available for the Surplus Interconnection Service, both off-peak and peak analysis may need to be performed for the Existing Generating Facility associated with the request for Surplus Interconnection Service. The reactive power, short circuit/fault duty, stability, and steady-state analyses for Surplus Interconnection Service will identify any necessary additional Interconnection Facilities and/or Network Upgrade(s).

3.7 OASIS Posting.

3.7.1 List of Interconnection Requests.

Transmission Provider will maintain on its OASIS a list of all Interconnection Requests. The list will identify, for each Interconnection Request: (i) Requested Maximum Capacity for Summer and Winter; (ii) the location by county and state; (iii) the station or transmission line or lines where the interconnection will be made; (iv) Commercial Operation Date; (v) the status of the Interconnection Request, including Queue Position; (vi) the date of the Queue Position as described in [Section 5.1](#); (vii) the availability of any studies related to the Interconnection Request; (viii) the type of Generating Facility to be constructed (combined-cycle, base load or combustion turbine and fuel type); and (ix) for Interconnection Requests that have not resulted in a completed interconnection, an explanation as to why it was not completed. Except in the case of an Affiliate, Transmission Provider will not disclose the identity of Interconnection Customer. Before holding a Scoping Meeting with its Affiliate, Transmission Provider shall post on OASIS an advance notice of its intent to do so. Transmission Provider shall post any known deviations in the Commercial Operation Date.

3.7.2 List of Generation Replacement Requests.

In addition, a separate list will be posted for Generation Replacement requests. Transmission Provider will post the planned date of cessation of operation for the

Existing Generating Facility or actual date if the Existing Generating Facility has ceased commercial operations, and the expected Commercial Operation Date of the Replacement Generating Facility.

3.8 Affected Systems.

3.8.1 Coordination with Affected Systems.

As further specified in SRP's Business Practice posted on OASIS, Transmission Provider will coordinate the conduct of any studies required to determine the impact of the Interconnection Request on Affected Systems with Affected System Operators and, if possible, include those results (if available) in its applicable Interconnection Study within the time frame specified in this GIP. Transmission Provider will invite such Affected System Operators in all meetings held with Interconnection Customer as required by this GIP. Interconnection Customer will cooperate with Transmission Provider in all matters related to the conduct of studies and the determination of modifications to Affected Systems.

3.8.2 Transmission Provider as Affected System.

When the Transmission Provider is an Affected System it will cooperate with the transmission provider with whom interconnection has been requested in all matters related to the conduct of studies and the determination of modifications to Transmission Provider's Transmission System.

3.9 Withdrawal.

Interconnection Customer may withdraw its Interconnection Request at any time by written notice of such withdrawal to Transmission Provider. In addition, if Interconnection Customer fails to adhere to all requirements of this GIP, Transmission Provider will deem the Interconnection Request to be withdrawn and will provide written notice to Interconnection Customer of the deemed withdrawal and an explanation of the reasons for such deemed withdrawal. Upon receipt of such written notice, Interconnection Customer shall have fifteen (15) Business Days in which to either respond with information or actions that cure the deficiency or to notify Transmission Provider of its intent to pursue Dispute Resolution as provided in Section 12.5.5 of this GIP.

Withdrawal shall result in the loss of Interconnection Customer's Queue Position. If an Interconnection Customer disputes the withdrawal and loss of its Queue Position, then during Dispute Resolution, Interconnection Customer's Interconnection Request is eliminated from the queue until such time that the outcome of Dispute Resolution would restore its Queue Position. An Interconnection Customer that withdraws or is deemed to have withdrawn its Interconnection Request shall pay to Transmission Provider all costs that Transmission Provider prudently incurs with respect to that Interconnection Request prior to either: (1) Transmission Provider's receipt of notice of withdrawal from Interconnection Customer; or (2) Interconnection Customer's receipt of notice from Transmission Provider that the Interconnection Request is deemed withdrawn as described in the paragraph above.

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

In the case of withdrawal, Transmission Provider will: (i) update the OASIS Queue Position posting; (ii) impose the Withdrawal Penalty described in Section 3.9.1 of this GIP; and (iii) refund to Interconnection Customer any of the refundable portion of Interconnection Customer's Study Deposit and Readiness Milestone payments that exceed the costs that Transmission Provider has incurred and any Withdrawal Penalties applied. In the event of withdrawal, Transmission Provider, subject to the confidentiality provisions of Section 12.1, shall provide, at Interconnection Customer's request, all information that Transmission Provider developed for any completed study conducted up to the date of withdrawal of the Interconnection Request.

3.9.1 Withdrawal Penalty.

Interconnection Customer shall be subject to a Withdrawal Penalty if it withdraws its Interconnection Request, the Interconnection Request is deemed withdrawn pursuant to this GIP, or the Generating Facility does not otherwise reach Commercial Operation, unless the withdrawal does not have a material impact on the cost or timing of any Interconnection Request(s) with an equal or lower Queue Position, as determined by Transmission Provider.

If Interconnection Customer withdraws its Interconnection Request, Transmission Provider will evaluate the impact of the withdrawal on the Interconnection Request(s) with an equal or lower Queue Position. Upon completion of Transmission Provider's evaluation and determination that the withdrawal has a material impact, Transmission Provider will invoice the Interconnection Customer that has provided letter(s) of credit a Withdrawal Penalty, and until Interconnection Customer pays the Withdrawal Penalty, Transmission Provider will hold as collateral letter(s) of credit provided by Interconnection Customer. If Interconnection Customer has provided cash payments, Transmission Provider will apply Interconnection Customer's cash payments to the Withdrawal Penalty.

Upon a determination of material impact, the following Withdrawal Penalty(ies) may apply:

- (i) If a valid Interconnection Request withdraws at any time, one hundred percent (100%) of the unexpended amounts of the Interconnection Customer's Study Deposit and Security Deposit will be applied;
- (ii) If a valid Interconnection Request withdraws at any time, and the Interconnection Customer provided a Deposit in Lieu of Site Control, a penalty of five hundred thousand dollars (\$500,000) will be applied;
- (iii) If a valid Interconnection Request withdraws prior to Decision Point I, and the Interconnection Customer provided a Deposit in Lieu of Commercial Readiness, a penalty of the lesser of either four hundred thousand dollars (\$400,000) or ten percent (10%) of the Deposit in Lieu of Commercial Readiness will be applied;

- (iv) If Interconnection Customer withdraws or is deemed withdrawn after Decision Point I, fifty percent (50%) of the M1 payment is non-refundable. If Interconnection Customer provided a Deposit in Lieu of Commercial Readiness the withdrawal penalty shall be the higher of either fifty percent (50%) of the M1 payment or twenty-five percent (25%) of the Deposit in Lieu of Commercial Readiness;
- (v) If Interconnection Customer withdraws or is deemed withdrawn after Decision Point II, one hundred percent (100%) of all Milestone payments are non-refundable. If Interconnection Customer provided a Deposit in Lieu of Commercial Readiness, the Withdrawal Penalty shall be the higher of either one hundred percent (100%) of all Readiness Milestone payments or the entire Deposit in Lieu of Commercial Readiness; and
- (vi) If Interconnection Customer withdraws or is deemed withdrawn from the Transition Process the entire transitional study deposit is non-refundable.

3.9.2 Distribution of the Withdrawal Penalty.

Withdrawal Penalty revenues associated with the non-refundable Deposit in Lieu of Site Control, the Deposit in Lieu of Commercial Readiness, or the Readiness Milestone payments shall be used to fund the Network Upgrade(s) for Interconnection Customers with an equal or lower queue position and Point of Interconnection costs for Interconnection Customers sharing a common Point of Interconnection that were materially impacted by the withdrawal.

Withdrawal Penalty revenues associated with the Study Deposit and Security Deposit shall be used to fund studies conducted under the Cluster Study Process and shall first be applied, in the form of a bill credit, to not-yet-invoiced study costs for Interconnection Customers remaining that were materially impacted by the withdrawal. To the extent that such studies are fully credited, Withdrawal Penalty revenues shall be applied to Network Upgrade(s) costs for Interconnection Customers remaining in order of Queue Position that are attributable to the impacts of the withdrawn Interconnection Customer(s) that shared an obligation with the remaining Interconnection Customers to fund a Network Upgrade. Withdrawn Interconnection Customers shall not receive a bill credit associated with Withdrawal Penalty revenues. If a Withdrawal Penalty is applied to Network Upgrade(s) costs, and those Network Upgrade(s) costs are later identified as a Shared Network Upgrade(s), then Transmission Provider will include the withdrawn Interconnection Customer when disbursing payment of a Shared Network Upgrade(s).

Allocation of Withdrawal Penalty revenues within a Cluster to a specific Interconnection Customer shall be: (1) ninety percent (90%) on a pro-rata basis based on requested megawatts included in the applicable Cluster; and (2) ten percent (10%) on a per capita basis based on the number of Interconnection Requests in the applicable Cluster.

Distribution of Withdrawal Penalty revenues to a specific Cluster study shall not exceed the total actual costs. If Withdrawal Penalty revenues exceed the total actual costs, as described in the first paragraph of this [Section 3.9.2](#), associated

with a Cluster equal to or lower in Queue Position of the withdrawn Interconnection Request(s), those excess Withdrawal Penalty revenues will be reimbursed to the Interconnection Customer that withdrew its Interconnection Request in accordance with Section 4 of this GIP.

3.10 Interconnection Study Delays Caused By Transmission Provider.

- (i) If Transmission Provider fails to complete an Interconnection Study by the applicable deadline, Interconnection Customer's Readiness Milestone payments shall be reduced according to this Section 3.10. A study shall be deemed complete when the final report is tendered to Interconnection Customers.
- (ii) For M1 payment reductions in accordance with this Section 3.10, the reduction amount will be equal to: one thousand dollars (\$1,000) per Business Day for delays of a Cluster System Impact Study fifty (50) Calendar Days beyond the applicable deadline set forth in this GIP; and one thousand dollars (\$1,000) per Business Day for delays of Point of Interconnection Facilities Study ninety (90) Calendar Days beyond the applicable deadline set forth in this GIP.
- (iii) For M2 payment reductions in accordance with this Section 3.10, the reduction amount will be equal to: one thousand dollars (\$1,000) per Business Day for delays of a Cluster System Impact Study Re-Study(ies) twenty-five (25) days beyond the applicable deadline set forth in this GIP; and one thousand dollars (\$1,000) per Business Day for delays of the Network Upgrades Facility Study ninety (90) Calendar Days beyond the applicable deadline set forth in this GIP.
- (iv) The total amount that an Interconnection Customer's M1 and M2 payments can be reduced under this Section 3.10 shall not exceed one hundred percent (100%) of Interconnection Customer's M0 payment. In accordance with Section 5 and Section 9 of this GIP, Interconnection Customer is responsible for paying all actual costs identified in the interconnection studies, regardless of any reduction to M1 and M2, according to the Interconnection Customer's EPC Agreement.
- (v) If (1) Transmission Provider needs to extend the deadline for a particular study; and (2) all Interconnection Customers included in the relevant study mutually agree to such an extension, the deadline for that study shall be extended thirty (30) Business Days from the original deadline. In such a scenario, Interconnection Customer's M1 and M2 payments will not be reduced for Transmission Provider exceeding the original deadline.
- (vi) This Section 3.10 will not be effective until the third Cluster cycle (including the Transition Process) after the Effective Date of GIP (the Cluster cycle beginning in 2026).

3.11 Additional Requirements for Generation Replacement Requests.

3.11.1 Requirements for Generation Replacement Requests.

- (i) Any Replacement Generating Facility must connect to the Transmission System at the same electrical Point of Interconnection as the Existing Generating Facility and shall meet the Site Control and Commercial Readiness requirements as set forth in this GIP and SRP's Business Practice(s).
- (ii) The request for Generation Replacement must be submitted to Transmission Provider by the Interconnection Customer: (1) at least one (1) year prior to the date that the Existing Generating Facility is planned to cease operation; or (2) up to (1) one year after a unit is determined as an unplanned (forced) outage as reported to NERC through the Generating Availability Data System. The request shall include the planned or actual date of cessation of operation for the Existing Generating Facility and the expected Commercial Operation Date for the Replacement Generating Facility.
- (iii) If the Replacement Generating Facility requires Interconnection Service (MW) in excess of that of the Existing Generating Facility that is being replaced, Interconnection Customer shall initiate a separate Interconnection Request for Interconnection Service in an amount (MW) equal to the excess pursuant to Section 3.3.1 of this GIP. Such separate Interconnection Request shall be assigned a new Queue Position and proceed through the study process in the same manner as an Interconnection Request for a new Generating Facility.
- (iv) If the request for Replacement Generating Facility requests less Interconnection Service (MW) than that of the Existing Generating Facility that is being replaced, then any future request for Interconnection Service for that Replacement Generating Facility shall be submitted as a separate Interconnection Request pursuant to Section 3.3.1 of this GIP. Such separate Interconnection Request shall be assigned a new Queue Position and proceed through the study process in the same manner as an Interconnection Request for a new Generating Facility.
- (v) No request for Generation Replacement may be made until twelve (12) months have elapsed from: (1) the date of any assignment of the GIA applicable to the Existing Generating Facility; or (2) the date of sale or other transfer of such Existing Generating Facility. Upon submission of a request for Generation Replacement, the Interconnection Customer shall not sell or otherwise transfer the Existing Generating Facility, the Replacement Generating Facility, nor assign the applicable GIA until such time as Transmission Provider completes evaluation of the request for Generation Replacement unless the Interconnection Customer first withdraws such request for Generation Replacement in writing. In the event

Transmission Provider notifies Interconnection Customer that the request for Generation Replacement has been granted, the prohibition on sale, transfer, or assignment shall be extended in accordance with Section 3.11.8 of this GIP. For purposes of Section 3.11.8 prohibited assignments include assignments to Affiliates pursuant to the GIA, or any analogous provision in an applicable interconnection agreement.

- (vi) A transfer, sale, or assignment of the Existing Generating Facility, Replacement Generating Facility, or applicable GIA that violates this Section 3.11 shall void the request for Generation Replacement.
- (vii) The request for Generation Replacement must include: (1) a completed Interconnection Request Form for a Generating Facility in the form of Appendix 1 to this GIP; (2) a seventy-five thousand dollars (\$75,000) study deposit; (3) demonstration of Site Control described in Section 3.3.1(v) applicable to the Generation Replacement request; (4) one of the Commercial Readiness demonstration options described in Section 3.3.1(vii); and (5) executed Generator Replacement Study Agreement in the form of Appendix 3.6 to this GIP. Approval of the Generator Replacement request is contingent on the results of the Generator Replacement Impact Study. Transmission Provider shall notify Interconnection Customer in writing when the Replacement Generating Facility is accepted.

3.11.2 Requirements for Modification of Generation Replacement Requests.

The request for Generation Replacement can be modified any time before the evaluation process is complete.

- (i) If the revised planned date of cessation of operation for the Existing Generating Facility is prior to the planned date of cessation of operation specified in the original request, a new request for Generation Replacement must be submitted at least one (1) year prior to the date that the Existing Generating Facility is planned to cease operation.
- (ii) If the revised expected Commercial Operation Date for the Replacement Generating Facility is after the expected Commercial Operation Date for the Replacement Generating Facility in the original request, a new request for Generation Replacement must be submitted at least one (1) year prior to the date that the Existing Generating Facility is planned to cease operation, unless the Existing Generating Facility is in forced outage. Any revised Commercial Operation Date shall be within three (3) years of the planned cessation date of the Existing Generating Facility or within four (4) years of the Existing Generation Facility in an unplanned (forced) outage per Section 3.11.1 of this GIP.

- (iii) Any modification to a Replacement Generation Facility request shall meet the Site Control and Commercial Readiness requirements as set forth in this GIP.

3.11.3 Evaluation Process for Generation Replacement Requests.

Transmission Provider will place requests for Generation Replacement in a separate Generation Replacement queue on a first come first served basis based upon the date Transmission Provider receives a complete Generation Replacement request. The Generator Replacement Coordinator will evaluate Generation Replacement requests in the order in which they are submitted. The evaluation will consist of two studies: (i) a Replacement Impact Study as set forth in Section 3.11.4 of this GIP; and (ii) a Reliability Assessment Study as set forth in Section 3.11.5 of this GIP.

The Generator Replacement Coordinator shall use Reasonable Efforts to complete the Replacement Impact Study and Reliability Assessment Study and share results with Interconnection Customer within one hundred eighty (180) Calendar Days of the request.

3.11.4 Generation Replacement—Replacement Impact Study.

The Replacement Impact Study will include analyses to determine if the Generation Replacement has a material adverse impact on the Transmission System when compared to an Existing Generating Facility. The Replacement Impact Study may consist of various analyses, including but not limited to, power flow, transient and post-transient stability, power factor, and a short circuit analysis, as necessary, to ensure that required reliability conditions are studied. If the Replacement Impact Study identifies any material impact from operating the Replacement Generating Facility when compared to the Existing Generating Facility, Generator Replacement Coordinator shall deem such impact as a Material Modification, and, in such an instance, if Interconnection Customer wishes to move forward with its request, Interconnection Customer must submit all information and Readiness Milestone payments necessary for a valid Interconnection Request for a new Generating Facility pursuant to Section 3.3.1 of this GIP.

3.11.5 Generation Replacement—Reliability Assessment Study.

The Reliability Assessment Study for the period between the date that the Existing Generating Facility ceases Commercial Operation and the expected Commercial Operation Date of the Replacement Generating Facility shall evaluate the performance of the Transmission System to determine if thermal and/or voltage violations of Applicable Reliability Standards and Transmission Provider planning criteria are caused by removing the Existing Generating Facility from service prior to the expected Commercial Operation Date of the Replacement Generating Facility. This study shall compare the conditions on the Transmission System that would exist if the Existing Generating Facility is taken offline to the conditions on the Transmission System as they exist when the Existing Generating

Facility is online. The scope of Reliability Assessment Study may include stability analysis as necessary. The Existing Generating Facility shall be responsible for mitigating any reliability violations identified in the Reliability Assessment Study and may not cease operations until all mitigations are implemented or are in service. Mitigation for this interim period may, as applicable, include: (i) redispach/reconfiguration through operator instruction; and (ii) remedial action scheme or any other operating steps depending upon the type of reliability violation identified.

3.11.6 Generation Replacement—Notice to Proceed.

An Interconnection Customer requesting Generation Replacement shall inform the Generator Replacement Coordinator within thirty (30) Calendar Days of receiving the results of the Replacement Impact Study and Reliability Assessment Study of its election to proceed. If the Interconnection Customer provides the Generator Replacement Coordinator notice to proceed, then the Generator Replacement Coordinator will either: (i) initiate a Generator Replacement Interconnection Facilities Study; or (ii) tender a draft GIA. If the Interconnection Customer fails to notify the Generator Replacement Coordinator with its election to proceed within thirty (30) Calendar Days, then the Interconnection Request will be deemed withdrawn pursuant to Section 3.9 of this GIP.

3.11.7 Scope of Generator Replacement Interconnection Facilities Study.

Within thirty (30) Calendar Days after the Interconnection Customer has notified the Generator Replacement Coordinator of its intent to proceed, the Generator Replacement Coordinator will determine whether it will conduct a Generator Replacement Interconnection Facilities Study, pursuant to this Section 3.11.7 of this GIP. The scope of such a Generator Replacement Interconnection Facilities Study will focus on the Interconnection Facilities for the Replacement Generating Facility. This Generator Replacement Interconnection Facilities Study will identify estimates for cost and the time required to construct the Interconnection Facilities. The Generator Replacement Coordinator shall use Reasonable Efforts to complete this portion of the Generator Replacement Interconnection Facilities Study within ninety (90) Calendar Days.

3.11.8 GIA for Generation Replacement.

Consistent with the process described in Section 10 of this GIP, Transmission Provider shall tender a draft GIA or, if deemed appropriate, an amended GIA that conforms to the GIA in effect at the time, within thirty (30) Calendar Days after Interconnection Customer has notified Transmission Provider of its intent to proceed if a Generator Replacement Interconnection Facilities Study is not required, or within thirty (30) Calendar Days after the final Generator Replacement Interconnection Facilities Study report is provided to Interconnection Customer. The draft GIA shall include updated appendices describing the timing of Generation Replacement and a condition that the GIA cannot be assigned and the Replacement Generating Facility cannot be transferred to any other Party,

including an Affiliate of the Interconnection Customer, until the Commercial Operation Date of the Replacement Generating Facility. A transfer, sale, or assignment of the Existing Generating Facility, Replacement Generating Facility, or applicable GIA that violates this Section 3.11 shall be void and constitute a Breach of the GIA.

3.11.9 Commercial Operation Date for Generation Replacement.

The expected Commercial Operation Date of a Replacement Generating Facility shall be no more than three (3) years from the date of cessation of operation of the Existing Generating Facility or four (4) years from the date a unit is determined as unplanned (forced) outage. If the requested period of time between the cessation of commercial operation of the Existing Generating Facility and expected Commercial Operation Date of the Replacement Generating Facility is greater than three (3) or four (4) years as described in this Section 3.11, the request shall be treated as an Interconnection Request for a new Generating Facility.

Section 4 Payment Reconciliation.

Transmission Provider shall reconcile all payments made by Interconnection Customer pursuant to this GIP, whether in the form of cash or a letter of credit, and return any outstanding letters of credit provided by Interconnection Customer if such payment(s) exceed Interconnection Customer's actual costs associated with the interconnection request or Cluster. Such reconciliation will occur once all Point of Interconnection costs and Network Upgrade(s) construction associated with the Interconnection Request have been completed and fully commissioned.

Section 5 Queue Position, Cost Sharing, Cost Allocation and Modifications.

5.1 Queue Position.

Transmission Provider shall assign a Queue Position as follows: the Queue Position for each Interconnection Customer within a Cluster shall be assigned based upon the date and time of receipt of all items required pursuant to Section 3.3 of this GIP.

A higher Queue Position assigned to an Interconnection Request is one that has been placed "earlier" in the queue in relation to another Interconnection Request in the same Cluster that is assigned a lower Queue Position. The Queue Position of an Interconnection Request within the same Cluster shall have no bearing on the allocation of the cost of the Network Upgrade(s) and Shared Network Upgrade(s) identified in the applicable Interconnection Study (such costs will be allocated among Interconnection Requests in accordance with Section 5.3 of this GIP). A Cluster initiated earlier in time shall be considered to have a higher Queue Position than a Cluster initiated later.

5.2 General Study Process.

Interconnection studies performed within the Cluster study process will be conducted in accordance with Good Utility Practice. Transmission Provider may,

as needed, use subgroups in the Cluster study process. In all instances in which Transmission Provider elects to use subgroups in the Cluster study process, Transmission Provider will publish the criteria used to define and determine subgroups on its OASIS.

5.3 Cost Allocation for Transmission Provider's Interconnection Facilities, Network Upgrade(s), and Shared Network Upgrade(s) Costs.

The Transmission Provider shall calculate each Interconnection Customer's share of Interconnection Facilities, Network Upgrade(s) and Shared Network Upgrade(s) costs identified in the Cluster System Impact Study and Network Upgrade(s) Facilities Study in the following manner:

- (1) For Network Upgrade(s) identified in an Interconnection Study, Transmission Provider shall calculate each Interconnection Customer's share of the costs based on the proportional impact of each individual Generating Facility in the Cluster on the Network Upgrade(s).
- (2) The costs of any required Transmission Provider's Interconnection Facilities will be directly assigned to Interconnection Customer(s) using such facilities. The cost of such Transmission Provider's Interconnection Facilities will be shared equally among all Interconnection Customers sharing use of Transmission Provider's Interconnection Facilities.
- (3) Shared Network Upgrade(s). Transmission Provider shall analyze if the impact of the Generating Facility on Network Upgrade(s) is greater than five percent (5%) of the facility rating or the power transfer distribution factor is greater than twenty percent (20%). If the criteria listed above are met, the Network Upgrade(s) shall be considered a Shared Network Upgrade(s) and Interconnection Customer shall share the cost of the Shared Network Upgrade(s). Shared Network Upgrade(s) shall only be allocated to up to five (5) future Cluster(s) from the time the Shared Network Upgrade is identified for cost sharing purposes.

Interconnection Customer shall pay Transmission Provider for Shared Network Upgrade(s) identified pursuant to Section 5.3(1) of this GIP.

Transmission Provider subsequently shall disburse payment to appropriate Interconnection Customer(s) and withdrawn Interconnection Customers whose Withdrawal Penalty was used to fund a Shared Network Upgrade(s), from an earlier Cluster(s) with previously assigned costs associated with the Shared Network Upgrade(s) in accordance with this Section 5.3 of this GIP. If the Shared Network Upgrade(s) is not in service before the Generating Facility's Commercial Operation Date, Interconnection Customer shall not be required to make a payment under Section 5.3(1) of this GIP until the Shared Network Upgrade(s) is in service. In the event that Interconnection Customer fails to meet its obligation to fund Shared Network Upgrade(s), Transmission Provider shall not be responsible for Interconnection Customer's funding obligation.

5.4 Transferability of Queue Position.

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

5.5 Modifications.

Interconnection Customer shall submit requested modifications to Transmission Provider, by way of an updated Interconnection Request Form for a Generating Facility (Appendix 1 to this GIP) along with a written summary of the requested modifications to any information provided in the initial Interconnection Request. Any change to the Point of Interconnection after the Customer Engagement Window shall constitute a Material Modification. Interconnection Customer shall retain its Queue Position if the modifications are in accordance with Section 5.5.1 and are determined not to be Material Modifications pursuant to Section 5.5.2.

During the course of the Interconnection Studies, either Interconnection Customer or Transmission Provider may identify changes to the planned interconnection that may improve the costs and benefits (including reliability) of the interconnection, and the ability of the proposed change to accommodate the Interconnection Request. To the extent the identified changes are acceptable to Transmission Provider and Interconnection Customer, such acceptance not to be unreasonably withheld, Transmission Provider shall modify the planned interconnection, in accordance with such changes and proceed with any Re-Study(ies) necessary to do so in accordance with Section 7.4 and Section 8.3 as applicable and Interconnection Customer shall retain its Queue Position.

5.5.1 Permitted Modifications.

Prior to the return of the executed Cluster System Impact Study Agreement by Transmission Provider, modifications permitted under this Section 5.5.1 shall include specifically: (i) a decrease of up to sixty percent (60%) of electrical output (MW) of the proposed project through either: (1) a decrease in plant size or (2) a decrease in Interconnection Service level (consistent with the process described in Section 3.1 of this GIP) accomplished by applying Transmission Provider-approved injection-limiting equipment; (ii) modifying the technical parameters associated with the Generating Facility technology or the Generating Facility step-up transformer impedance characteristics; (iii) a change in Commercial Operation Date; and (iv) modifying the interconnection configuration. For plant increases, the incremental increase in plant output will go to the end of the queue for the purposes of cost allocation and study analysis.

5.5.2 Material Modifications.

Prior to the Requested In-Service Date, and prior to making any modification other than those specifically permitted by Section 5.5.1, Interconnection Customer may first request Transmission Provider evaluate whether such modification is a Material Modification. In response to Interconnection Customer's request, Transmission Provider shall evaluate the proposed modifications prior to making them and inform Interconnection Customer in writing of whether the modifications

would constitute a Material Modification. Any change to the Point of Interconnection after the Customer Engagement Window shall constitute a Material Modification. Interconnection Customer may then withdraw the proposed modification or proceed with a new Interconnection Request for such modification.

5.5.3 Study of Modifications.

Upon receipt of Interconnection Customer's request for modification permitted under this Section 5.5, Transmission Provider shall commence and perform any necessary additional studies as soon as practicable, but no sooner than the completion of the latest Cluster's Cluster System Impact Study. Any cost of additional studies resulting from such modification shall be borne by the Interconnection Customer. Any such modification of the Interconnection Request must be accompanied by any resulting updates to the models described in Attachment A to Appendix 1 of this GIP. All requested modifications shall meet the Site Control requirements in Section 3.3.1(v) and Commercial Readiness Demonstration requirements in Section 3.3.1(vii) as set forth in this GIP.

Section 6 Procedures for Interconnection Requests Submitted Prior to Effective Date of GIP.

6.1 Transition Process for Pending Interconnection Requests.

Any Interconnection Customer that submitted an Interconnection Request prior to the Effective Date of this GIP may elect to join the Transition Process or withdraw without penalty. An Interconnection Customer that joins the Transition Process and that was assigned a Queue Position prior to the Effective Date of GIP shall retain that Queue Position subject to the requirements in Section 6 of this GIP. Any Interconnection Customer that fails to meet the requirements of Section 6 of this GIP shall have its Interconnection Request withdrawn without penalty. Any unused deposit amounts of Interconnection Requests withdrawn prior to the start of the Transition Process shall be returned to Interconnection Customer pursuant to Section 12.3 of this GIP. Any Interconnection Customer whose Interconnection Request is withdrawn pursuant to this Section 6 may resubmit its Interconnection Request during the Cluster Request Window pursuant to Section 3 of this GIP.

An Interconnection Customer joining the Transition Process must notify Transmission Provider of their intent to join the Transition Process by emailing SRPInterconnections@srpnet.com. If an Interconnection Customer elects to continue with the Transition Process, Transmission Provider will retain Interconnection Customer's current study deposits, and Interconnection Customer may be responsible for an additional deposit pursuant to Section 6.2.1 of this GIP. Interconnection Customers that are required to demonstrate Site Control, Commercial Readiness and make an additional deposit under Section 6.2.1(iv)-(vii) must satisfy the following requirements within thirty (30) Calendar Days of the Effective Date of GIP. The transitional study deposit is subject to a Withdrawal Penalty, pursuant to Section 3.9.1 of this GIP.

6.2 Transitional System Impact Study Process.

6.2.1 Interconnection Customer's Requirements.

Any Interconnection Customer that submitted an Interconnection Request prior to the Effective Date of GIP may opt to join the Transition Process.

- (i) If, as of the Effective Date of GIP, Interconnection Customer has executed a Large Generator Interconnection Agreement (LGIA), then Interconnection Customer may withdraw its interconnection request without penalty or retain its existing Queue Position subject to the terms of its executed LGIA. Interconnection Customers with an executed LGIA that intend to withdraw their interconnection request must send written notice of intent to withdraw within thirty (30) days of the Effective Date of this GIP. Such notice may be provided by email to SRPInterconnections@srpnet.com.
- (ii) If, as of the Effective Date of GIP, Interconnection Customer has completed an Interconnection System Impact Study, then Interconnection Customer may join the Transition Process if Interconnection Customer: (i) demonstrates Commercial Readiness; (ii) demonstrates Site Control; (iii) executes a Transitional System Impact Study Agreement; and (iv) provides an additional deposit as specified in this Section 6.2.1(vii).
- (iii) If at the time of the Effective Date of GIP, Interconnection Customer has not completed an Interconnection System Impact Study, then Interconnection Customer may join the Transition Process if Interconnection Customer: (i) demonstrates Commercial Readiness; (ii) demonstrates Site Control; (iii) executes a Transitional System Impact Study Agreement and a Transitional Facilities Study Agreement; and (iv) provides an additional deposit as specified in this Section 6.2.1(vii).
- (iv) One of the following Commercial Readiness Demonstration options:
 - ❖ **Option 1:** Executed contract binding upon the parties for the sale of: (1) the constructed Generating Facility to a Load-Serving Entity or to a commercial, industrial, or other large end-use customer; (2) the Generating Facility's energy where the term of sale is not less than five (5) years; or (3) the Generating Facility's Ancillary Services if the Generating Facility is an Electric Storage Resource where the term of sale is not less than five (5) years; or
 - ❖ **Option 2:** Reasonable evidence (i.e., bid security held by a Load-Serving Entity) that the Generating Facility has been selected in a resource plan or resource solicitation process by or for a Load-Serving Entity, is being developed by a Load-

Serving Entity, or is being developed for purposes of a sale to a commercial, industrial, or other large end-use customer.

A Commercial Readiness Demonstration shall cover the total MWs of Interconnection Service requested, otherwise the Interconnection Customer shall provide a Deposit in Lieu of Commercial Readiness based on the total MWs of Interconnection Service requested. If Interconnection Customer is unable to satisfy one of the preceding Commercial Readiness Demonstration options, Interconnection Customer must provide a Deposit in Lieu of Commercial Readiness. If Interconnection Customer obtains Commercial Readiness after making the Deposit in Lieu of Commercial Readiness, the Deposit will be returned less the additional Transitional Study Deposit.

- (v) Demonstration of Site Control for the entire Generating Facility. All documentation establishing proof of Site Control shall be accompanied by a signed declaration from an officer or an agent of the Interconnection Customer. Such declaration shall adhere to the form specified in Attachment D of Appendix 1 to this GIP. Site Control for the Generating Facility may be demonstrated by submitting documentation as specified in SRP's Business Practice posted on OASIS or by providing a Deposit in Lieu of Site Control.
- (vi) An executed Transitional System Impact Study Agreement in the form of Appendix 3.4, and, if applicable, a Transitional Facilities Study Agreement, in the form of Appendix 3.5 to this GIP.
- (vii) An additional Transitional Study Deposit in the form of cash or an irrevocable letter of credit upon which Transmission Provider may draw or cash as follows:
 - a. If the Interconnection Customer has a completed Interconnection System Impact Study as of the Effective Date of GIP, it shall pay one hundred percent (100%) of the costs identified for Transmission Provider's Interconnection Facilities, Network Upgrade(s), and Shared Network Upgrade(s) as identified in the latest study report (final Interconnection System Impact Study report or final Interconnection Facilities Study report); or
 - b. If the Interconnection Customer does not have a completed Interconnection System Impact Study prior to the Effective Date of GIP, it shall pay an amount of two million dollars (\$2,000,000).

6.2.2 Scope of Transitional System Impact Study.

The Transitional System Impact Study shall evaluate the impact of the proposed interconnection on the reliability of the Transmission System. The Transitional System Impact Study will consider the Requested In-Service Date and the Queue

Position of the Interconnection Request and will evaluate any requested changes to the Interconnection Request. When evaluating the Interconnection Request, Transmission Provider will use a revised Base Case that will reflect the withdrawal of any projects from all Transmission Provider-operated queues that did not move forward under this Transition Process.

The Transitional System Impact Study will consider a short circuit analysis, a stability analysis, a power flow analysis, and other analyses as needed to assess reliability. This Transitional System Impact Study is a hybrid serial-cluster type study, in which all Interconnection Requests that have met the transition requirements will be studied as a cluster, with Queue Positions preserved to assess mitigations serially.

A Transitional System Impact Study report may be provided only to Interconnection Customers that do not have a completed Interconnection System Impact Study or to Interconnection Customers with projects that were found to require mitigations. Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Transitional System Impact Study report to Interconnection Customer within one hundred forty-five (145) Calendar Days after receipt of an executed Transitional System Impact Study Agreement. If a project's result did not change from their previously completed Interconnection System Impact Study, an addendum to that original report will be provided to document that the Transitional System Impact Study was performed, and no changes were identified. If required, Transmission Provider will provide a draft study report to the Interconnection Customer for review and comment.

6.2.3 Transitional System Impact Study Re-Study(ies).

If Re-Study(ies) of the Transitional System Impact Study is required due to: (i) a higher queued project dropping out of the queue; (ii) Base Case used for the Transitional System Impact Study changes; (iii) a modification of a higher queued project subject to Section 5 of this GIP; or (iv) a change to Transmission Provider equipment design standards or reliability criteria, Transmission Provider shall notify Interconnection Customer in writing. When considering the Commercial Operation Date of the proposed Interconnection Request, the Re-Study will consider all Interconnection Requests that have an earlier Commercial Operation Date and are interconnecting to either the Transmission System or to an Affected System's transmission system. Any cost of Re-Study shall be borne by the Interconnection Customer being restudied.

6.3 Transitional Facilities Study Process.

6.3.1 Transitional Facilities Study Procedures.

Upon completion of the Transitional System Impact Study, if the Interconnection Customer does not have a finalized Interconnection Facilities Study report, a Transitional Facilities Study may need to be performed.

Transmission Provider shall utilize existing studies to the extent practicable in performing the Transitional Facilities Study. Transmission Provider shall use Reasonable Efforts to complete the Transitional Facilities Study and issue a draft

Transitional Facilities Study report to Interconnection Customer within one hundred eighty (180) Calendar Days after receipt of an executed Transitional Facilities Study Agreement.

6.3.2 Scope of Transitional Facilities Study.

The Transitional Facilities Study shall specify and estimate the cost of the equipment, engineering, procurement, and construction work needed to implement the conclusions of the Transitional System Impact Study or the Interconnection System Impact Study in accordance with Good Utility Practice to reliably connect the Generating Facility to the Transmission System. The Transitional Facilities Study shall also identify the electrical switching configuration of the connection equipment, including, without limitation: the transformer, switchgear, meters, and other station equipment; the nature and estimated cost of any Transmission Provider's Interconnection Facilities and Network Upgrade(s) necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities. Interconnection Customer will compensate Transmission Provider for the actual cost of the Transitional Facilities Study.

6.3.3 Re-Study(ies).

If Re-Study(ies) of the Transitional Facilities Study is required due to: (i) a higher queued project dropping out of the Queue; or (ii) a modification of a higher queued project subject to Section 5 of this GIP, Transmission Provider shall notify Interconnection Customer in writing. When considering the Commercial Operation Date of the proposed Interconnection Request, the Re-Study will consider all Interconnection Requests that have an earlier Commercial Operation Date and are interconnecting to either the Transmission System or to an Affected System's transmission system. Any cost of Re-Study shall be borne by the Interconnection Customer being re-studied.

6.4 Transitional Interconnection Agreement.

All transitional projects will follow the procedure for execution of the GIA as provided for in Section 10 of this GIP.

6.5 New Transmission Provider.

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

Dispute Resolution, unless otherwise provided, Interconnection Customer must complete negotiations with the successor Transmission Provider.

Section 7 Cluster System Impact Study.

7.1 Scope of Cluster System Impact Study.

The Cluster System Impact Study shall be a Cluster study. The Cluster System Impact Study shall evaluate the impact of the proposed interconnection(s) on the reliability of the Transmission System. The Cluster System Impact Study will consider the Base Case as well as all Generating Facilities (and with respect to (iii) below, any identified Network Upgrade(s) associated with such higher queued interconnection) that, on the date the Cluster System Impact Study is commenced: (i) are directly interconnected to the Transmission System; (ii) are interconnected to Affected Systems and may have an impact on the Interconnection Request; (iii) have a pending higher queued Interconnection Request to interconnect to the Transmission System; and (iv) have no Queue Position but have executed a GIA or have requested to initiate Dispute Resolution.

For purposes of determining necessary Interconnection Facilities, Network Upgrade(s), and Shared Network Upgrade(s), the Cluster System Impact Study will consider the level of Interconnection Service requested by Interconnection Customers in the Cluster, unless otherwise required to study the full Generating Facility Capacity due to safety or reliability concerns.

At the conclusion of the Cluster System Impact Study, Transmission Provider will issue a Cluster System Impact Study report. The Cluster System Impact Study will consist of various analyses, including but not limited to, power flow, transient and post-transient stability, power factor, and a short circuit analysis, the results of which are documented in a single Cluster System Impact Study report or Re-Study report, as applicable. The Cluster System Impact Study will state the assumptions upon which it is based; state the results of the analyses; and provide the requirements or potential impediments to providing the requested Interconnection Service, including a preliminary indication of the cost and length of time that would be necessary to correct any problems identified in those analyses and implement the interconnection. At the request of any Interconnection Customer within the Cluster, the Cluster System Impact Study may evaluate advanced power flow control, transmission switching, dynamic line ratings, static synchronous compensators, static VAR compensators, and/or Electric Storage Resource that provides a transmission service for feasibility, cost, and time savings as an alternative to the Network Upgrade(s) identified by the Cluster System Impact Study. If this type of evaluation was performed, Transmission Provider will include the evaluation in the Cluster System Impact Study report.

The Cluster System Impact Study report may identify the Interconnection Facilities, Contingent Facilities, and Network Upgrade(s) expected to be required to reliably interconnect the Generating Facilities in that Cluster at the requested Interconnection Service level and will provide non-binding cost estimates for required Network Upgrade(s). The Cluster System Impact Study shall identify each Interconnection Customer's estimated allocated costs for Shared Network Upgrade(s) and Network Upgrade(s) pursuant to the method in Section 5.3 of this

GIP. Transmission Provider will hold a meeting with Interconnection Customer(s) to review the Cluster System Impact Study and Point of Interconnection Facilities Study pursuant to Section 7.4 of this GIP. The Cluster System Impact Study report will provide a list of facilities that are required as a result of the Interconnection Request and a non-binding good faith estimate of cost responsibility and a non-binding good faith estimated time to construct.

7.2 Execution of Cluster System Impact Study Agreement.

Transmission Provider shall execute the Cluster System Impact Study Agreement and deliver the executed Cluster System Impact Study Agreement to Interconnection Customer no later than five (5) Business Days after the Scoping Meeting.

If the Cluster System Impact Study uncovers result(s) not contemplated during the Scoping Meeting, a substitute Point of Interconnection identified by either Interconnection Customer or Transmission Provider, and acceptable to the other, such acceptance not to be unreasonably withheld, will be substituted for the designated Point of Interconnection specified above without loss of Queue Position, and Re-Studies shall be completed pursuant to Section 7.4 of this GIP as applicable.

7.3 Cluster System Impact Study Procedures.

Transmission Provider shall coordinate the Cluster System Impact Study with any Affected System that is affected by the Interconnection Request pursuant to Section 3.8 of this GIP. Transmission Provider will utilize existing studies to the extent practicable when it performs the study. Interconnection Requests for a Cluster System Impact Study may be submitted only within the Cluster Request Window and Transmission Provider will initiate the Cluster System Impact Study process pursuant to this Section 7.3.

Unless Re-Study(ies) are required pursuant to Section 7.4 of this GIP, Transmission Provider will use Reasonable Efforts to tender the Cluster System Impact Study within eighty (80) Calendar Days of the close of the Customer Engagement Window.

At the request of Interconnection Customer or at any time Transmission Provider determines that it will not meet the required time frame for completing the Cluster System Impact Study, Transmission Provider will notify Interconnection Customer as to the schedule status of the Cluster System Impact Study. If Transmission Provider is unable to complete the Cluster System Impact Study within the time period, it will notify Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Upon request, Transmission Provider shall provide Interconnection Customer all supporting documentation, workpapers and relevant pre-Interconnection Request and post-Interconnection Request power flow, short circuit and stability databases for the Cluster System Impact Study, subject to confidentiality arrangements consistent with Section 12.1 of this GIP.

7.4 Meeting with Transmission Provider.

Within fifteen (15) Calendar Days of furnishing a Cluster System Impact Study report and Point of Interconnection Facilities Study report to Interconnection Customer, Transmission Provider will convene an open meeting to discuss the study results. Transmission Provider, upon request, may make itself available to meet with individual Interconnection Customers after the reports are tendered. Within fifteen (15) Calendar Days after the Cluster System Impact Study report meeting, Transmission Provider shall provide the completed Cluster System Impact Study, and Interconnection Customer shall provide M1 payment. Re-Study(ies):

- (i) If no Interconnection Customer withdraws from the Cluster after completion of the Cluster System Impact Study or is deemed withdrawn pursuant to Section 3.9 of this GIP after completion of the Cluster System Impact Study, Transmission Provider will electronically notify Interconnection Customers in the Cluster that a Cluster System Impact Study Re-Study is not required.
- (ii) If one (1) or more Interconnection Customers withdraws from the Cluster, Transmission Provider will determine if a Cluster System Impact Study Re-Study is necessary. If Transmission Provider determines a Cluster System Impact Study Re-Study is not necessary, Transmission Provider shall provide an updated Cluster System Impact Study report within thirty (30) Calendar Days of such determination. When the updated Cluster System Impact Study report is issued, Transmission Provider will electronically notify Interconnection Customers in the Cluster that a Cluster System Impact Study Re-Study is not required.
- (iii) If Re-Study of the Cluster System Impact Study is required due to: (1) one (1) or more Interconnection Customers withdrawing from the Cluster and Transmission Provider determines a Cluster System Impact Study Re-Study is necessary as a result; (2) a higher queued project dropping out of the queue; (3) the Base Case used for the Transitional System Impact Study changes; (4) a modification of a higher queued project subject to Section 5 of this GIP; or (5) a change to the Transmission Provider equipment design standards or reliability criteria, Transmission Provider will electronically notify Interconnection Customer(s) that a Cluster System Impact Study Re-Study is required. Transmission Provider will continue with such Re-Studies until Transmission Provider determines that no further Re-Studies are required and Interconnection Customer(s) in the Cluster have satisfied M2 payment.
- (iv) The scope of any Cluster System Impact Study Re-Study will be consistent with the scope of an initial Cluster System Impact Study pursuant to Section 7.3 of this GIP. Transmission Provider will tender the draft Re-Study report within forty-five (45) Calendar Days of notification to Interconnection Customer that a Cluster System Impact Study Re-Study is required. The results of the Cluster System Impact Study Re-Study will be combined into a single report (Re-Study report). Within fifteen (15) Calendar Days of furnishing the draft Re-Study report to Interconnection

Customer, Transmission Provider will convene a meeting to discuss the study results. Within fifteen (15) Calendar Days after the Re-Study report meeting, Transmission Provider will finalize the Re-Study report. If additional Re-Studies are required, Interconnection Customer and Transmission Provider will follow the procedures of this Section 7.4 until such time that Transmission Provider determines that no further Re-Studies are required. Transmission Provider will electronically notify each Interconnection Customer within the Cluster when no further Re-Studies are required.

In the event that the Study Deposit is insufficient to cover the costs of Re-Study(ies), in accordance with Section 12.3 of this GIP, Transmission Provider shall invoice Interconnection Customer(s) for the estimated balance to complete the Re-Study(ies). Interconnection Customer(s) shall submit payment no later than fifteen (15) Calendar Days after it receives the invoice from Transmission Provider.

Section 8 Interconnection Facilities Study.

The Interconnection Facilities Study will determine the estimated cost and time to construct the Network Upgrade(s) and Transmission Provider's Interconnection Facilities necessary to reliably interconnect the proposed Generating Facility to the Transmission System. A Point of Interconnection Facilities Re-Study will be performed as needed. The Interconnection Facilities Study will be conducted in two stages: (1) the Point of Interconnection Facilities Study; and (2) the Network Upgrade(s) Facilities Study. The Point of Interconnection Facility Study will be done in parallel with the Cluster System Impact Study. The Network Upgrade(s) Facilities Study will begin no later than forty-five (45) Calendar Days after Interconnection Customer provides M1 payment. The combination of the Interconnection Facilities Study will determine the estimated cost and time to construct the identified Network Upgrade(s) and Transmission Provider's Interconnection Facilities for each Interconnection Request.

8.1 Point of Interconnection Facilities Study.

8.1.1 Scope of Point of Interconnection Facilities Study.

The Point of Interconnection Facilities Study will be specific to each Interconnection Request and performed on an individual (i.e. non-clustered) basis. The Point of Interconnection Facilities Study will identify the estimated cost to interconnect the Generating Facility at the Point of Interconnection.

8.1.2 Point of Interconnection Facilities Study Agreement.

Transmission Provider shall execute the Point of Interconnection Facilities Study Agreement and deliver the executed Point of Interconnection Facilities Study Agreement to Interconnection Customer no later than five (5) Business Days after the Scoping Meeting.

8.1.3 Point of Interconnection Facilities Study Process.

Transmission Provider will utilize existing studies to the extent practicable in performing the Point of Interconnection Facilities Study. Transmission Provider will use Reasonable Efforts to complete the study and issue a draft Point of Interconnection Facilities Study report to Interconnection Customer within eighty (80) Calendar Days of the close of the Customer Engagement Window.

At the request of Interconnection Customer or at any time Transmission Provider determines that it will not meet the required time frame for completing the Point of Interconnection Facilities Study, Transmission Provider will notify Interconnection Customer as to the schedule status of the Point of Interconnection Facilities Study. If Transmission Provider is unable to complete the Point of Interconnection Facilities Study and issue a draft Point of Interconnection Facilities Study report within the time required, it will notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required.

Interconnection Customer shall tender any comments on the draft Point of Interconnection Facilities Study report within fifteen (15) Calendar Days of receipt of the report. Transmission Provider shall issue the final Point of Interconnection Facilities Study report within fifteen (15) Calendar Days of receiving Interconnection Customer's comments or promptly upon receiving Interconnection Customer's statement that it will not provide comments. If the Interconnection Customer does not provide written comments within the fifteen (15)-day period, the report is deemed to be final. Transmission Provider may reasonably extend such fifteen (15)-day period upon notice to Interconnection Customer if Interconnection Customer's comments require Transmission Provider to perform additional analyses or make other significant modifications prior to the issuance of the final Point of Interconnection Facilities Study report. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation, workpapers, and databases or data developed in the preparation of the Interconnection Facilities Study, subject to confidentiality arrangements consistent with Section 12.1 of this GIP.

8.1.4 Meeting with Transmission Provider.

Within fifteen (15) Calendar Days of providing a draft Point of Interconnection Facilities Study report to Interconnection Customer, Transmission Provider and Interconnection Customer may meet to discuss the results of the Point of Interconnection Facilities Study.

8.1.5 Point of Interconnection Facilities Re-Study.

If a Point of Interconnection Facilities Re-Study is necessary, Transmission Provider shall electronically notify Interconnection Customer.

8.2 Network Upgrade(s) Facilities Study.

8.2.1 Scope of Network Upgrade(s) Facilities Study.

The Network Upgrade(s) Facilities Study shall be a Cluster study. The Network Upgrade(s) Facilities Study shall specify and provide a non-binding good faith estimate of the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Cluster System Impact Study (and any associated Re-Study(ies)) in accordance with Good Utility Practice to reliability provide Interconnection Service to the Transmission System. The Network Upgrade(s) Facilities Study shall identify the nature and estimated cost of any switching configuration of the connection equipment, including, without limitation: the instrument transformers, switchgear, meters, and other station equipment; Transmission Provider's Interconnection Facilities necessary to accomplish the interconnection; and an estimate of the time required to complete the construction and installation of such facilities.

8.2.2 Network Upgrade(s) Facilities Study Agreement.

Interconnection Customer shall execute the Network Upgrade(s) Facilities Study Agreement in the form of Appendix 3.3 to this GIP and deliver the executed Network Upgrade(s) Facilities Study Agreement to Transmission Provider within five (5) Calendar Days after Interconnection Customer makes M1 payment.

8.2.3 Network Upgrade(s) Facilities Study Process.

Transmission Provider shall coordinate the Network Upgrade(s) Facilities Study with any Affected System pursuant to Section 3.8 of this GIP. Transmission Provider shall utilize existing studies to the extent practicable in performing the Network Upgrade(s) Facilities Study. Transmission Provider will use Reasonable Efforts to complete the Network Upgrade(s) Facilities Study and issue a draft Network Upgrade(s) Facilities Study report to Interconnection Customer within one hundred and five (105) Calendar Days after finalizing the Cluster System Impact Study report.

Interconnection Customer shall tender any comments on the draft Network Upgrade(s) Facilities Study report within fifteen (15) Calendar Days of receipt of the report. Transmission Provider will issue the final Network Upgrade(s) Facilities Study report within fifteen (15) Calendar Days of receiving Interconnection Customer's comments or promptly upon receiving Interconnection Customer's written statement that it will not provide comments. If the Interconnection Customer does not provide written comments within the fifteen (15)-day period, the report is deemed to be final. Transmission Provider may reasonably extend such fifteen (15)-day period upon notice to Interconnection Customer if Interconnection Customer's comments require Transmission Provider to perform additional analyses or make other significant modifications prior to the issuance of the final Network Upgrade(s) Facilities Study report. Upon request, Transmission Provider shall provide Interconnection Customer supporting documentation, workpapers, and databases or data developed in the preparation of the Network Upgrade(s) Facilities Study, subject to confidentiality arrangements consistent with Section 12.1 of this GIP.

At the request of Interconnection Customer or at any time Transmission Provider determines that it will not meet the required time frame for completing the Network Upgrade(s) Facilities Study, Transmission Provider shall notify Interconnection Customer as to the schedule status of the Network Upgrade(s) Facilities Study. If Transmission Provider is unable to complete the Network Upgrade(s) Facilities Study and issue a draft Network Upgrade(s) Facilities Study report within the time required, it shall notify Interconnection Customer and provide an estimated completion date and an explanation of the reasons why additional time is required.

8.2.4 Meeting with Transmission Provider.

Within fifteen (15) Calendar Days of providing a draft Network Upgrade(s) Facilities Study report to Interconnection Customer, Transmission Provider and Interconnection Customer will meet to discuss the results of the Network Upgrade(s) Facilities Study.

8.3 Network Upgrade(s) Facilities Study Re-Study.

If Re-Study of the Network Upgrade(s) Facilities Study is required due to: (1) a higher queued project dropping out of the queue or Base Case used for the Cluster System Impact Study; (2) a modification of a higher queued project pursuant to Section 5 of this GIP; or (3) a change to the Transmission Provider or Transmission Owner equipment design standards or reliability criteria, Transmission Provider will electronically notify Interconnection Customer. Transmission Provider will use Reasonable Efforts to complete the Re-Study and issue a draft Network Upgrade(s) Facilities Re-Study report to Interconnection Customer within sixty (60) Calendar Days after finalizing the Cluster System Impact Study report. If Transmission Provider is unable to complete the Re-Study within that time period, it will electronically notify Interconnection Customer and provide an estimated completion date with an explanation of the reasons why additional time is required. Any cost of Re-Study shall be borne by the Interconnection Customer being re-studied.

Section 9 Engineering, Procurement & Construction Agreement.

Transmission Provider and Interconnection Customer shall execute an EPC Agreement that authorizes the Transmission Provider to begin engineering, procurement of long lead-time items, and construction necessary for the establishment of the interconnection. The EPC Agreement will not alter the Interconnection Customer's Queue Position or In-Service Date. The EPC Agreement shall provide for the Interconnection Customer to pay the cost of all activities authorized by the Interconnection Customer and to make advance payments or provide other satisfactory security for such costs.

The Interconnection Customer shall pay the cost of such authorized activities and any cancellation costs for equipment that is already ordered for its interconnection, which cannot be mitigated as hereafter described, whether or not such items or equipment later become unnecessary. If Interconnection Customer withdraws its application for interconnection or either Party terminates the EPC Agreement, to the extent the equipment ordered can be canceled under reasonable terms, Interconnection Customer shall be obligated to pay the associated cancellation

costs. To the extent that the equipment cannot be reasonably cancelled, Transmission Provider may elect: (i) to take title to the equipment, in which event Transmission Provider shall refund Interconnection Customer any amounts paid by Interconnection Customer for such equipment and shall pay the cost of delivery of such equipment; or (ii) transfer title to and deliver such equipment to Interconnection Customer, in which event Interconnection Customer shall pay any unpaid balance and cost of delivery of such equipment.

Section 10 Standard Generator Interconnection Agreement.

10.1 Tender.

Within sixty (60) Calendar Days after tendering the final Network Upgrade(s) Facilities Study report, Transmission Provider shall tender a draft GIA, together with draft appendices. The draft GIA shall be in the form of Transmission Provider's standard form GIA which is posted on Transmission Provider's OASIS, which the Interconnection Customer shall execute and return according to Section 10.3 of this GIP, unless the forty (40) Calendar Day negotiation period under Section 10.2 of this GIP has commenced.

10.2 Negotiation.

Notwithstanding Section 10.1, at the request of Interconnection Customer, Transmission Provider shall begin negotiations with Interconnection Customer concerning the appendices to the GIA at any time after execution of the Network Upgrade(s) Facilities Study Agreement. Transmission Provider and Interconnection Customer shall negotiate concerning any disputed provisions of the appendices to the draft GIA for not more than forty (40) Calendar Days. If Interconnection Customer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft GIA and request to initiate Dispute Resolution. If Interconnection Customer requests termination of the negotiations, but within sixty (60) Calendar Days thereafter fails to request to initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request, subject to a Withdrawal Penalty pursuant to Section 3.9.1 of this GIP. Unless otherwise agreed by the Parties, if Interconnection Customer has not executed the GIA or initiated Dispute Resolution within sixty (60) Calendar Days after tender of draft GIA, it shall be deemed to have withdrawn its Interconnection Request, subject to a Withdrawal Penalty pursuant to Section 3.9.1. of this GIP. Transmission Provider shall provide to Interconnection Customer a final GIA within seventy-five (75) Calendar Days after the completion of the Network Upgrade(s) Facilities Study report or ten (10) Calendar Days after the Re-Study report(s), if any.

10.3 Execution.

Within thirty (30) Calendar Days after receipt of the GIA, the Interconnection Customer shall execute the final GIA and return it to Transmission Provider along with: (i) evidence of continued Site Control; (ii) continued demonstration of Commercial Readiness; and (iii) full payment of Readiness Milestone payments.

10.4 Commencement of Interconnection Activities.

If the Interconnection Customer executes the final GIA, the Transmission Provider and the Interconnection Customer shall perform their respective obligations in accordance with the terms of the GIA.

Section 11 Construction of Transmission Provider's Interconnection Facilities, Network Upgrade(s), and Expedition of Transmission Provider's Publicly Announced Planned Transmission System Upgrade(s).

11.1 Schedule.

Transmission Provider and Interconnection Customer shall negotiate in good faith concerning a schedule for the construction of Transmission Provider's Interconnection Facilities and, if appropriate, Shared Network Upgrade(s) and Network Upgrade(s), and, if appropriate, expedition of any publicly planned Transmission System Upgrade(s) previously announced by Transmission Provider.

11.2 Construction Sequencing.

11.2.1 General.

In general, the Requested In-Service Date of an Interconnection Customer seeking interconnection to the Transmission System will determine the sequence of construction of Transmission Provider's Interconnection Facilities, Shared Network Upgrade(s) and Network Upgrade(s).

11.2.2 Advancing Construction of Transmission Provider's Interconnection Facilities, Shared Network Upgrade(s) and Network Upgrade(s) that are an Obligation of an Entity other than Interconnection Customer.

An Interconnection Customer with a GIA, in order to maintain its Requested In-Service Date, may request that Transmission Provider advance to the extent necessary the completion of Transmission Provider's Interconnection Facilities and Network Upgrade(s) that: (i) were assumed in the Interconnection Studies for such Interconnection Customer; (ii) are necessary to support such Requested In-Service Date; and (iii) would otherwise not be completed, pursuant to a contractual obligation of an entity other than Interconnection Customer that is seeking interconnection to the Transmission System, in time to support such Requested In-Service Date. Upon such request, Transmission Provider will use Reasonable Efforts to advance the construction of such facilities to accommodate such request; provided that Interconnection Customer commits to pay Transmission Provider: (i) any associated expediting costs; and (ii) the cost of such facilities.

11.2.3 Advancing Construction of Transmission Provider's Transmission System Upgrade(s) that are Part of an Expansion Plan of the Transmission Provider.

An Interconnection Customer with a GIA, in order to maintain its Requested In-Service Date, may request that Transmission Provider advance to the extent

necessary the completion of Transmission Provider's Transmission System upgrade(s) that: (i) Transmission Provider had publicly noticed as planned and needed for Transmission Provider's continued reliable delivery of retail electric service to Transmission Provider's retail load; (ii) are also necessary to support the Requested In-Service Date; and (iii) would otherwise not be completed, pursuant to an expansion plan of Transmission Provider, in time to support such Requested In-Service Date. Upon such request, Transmission Provider will use Reasonable Efforts to advance the construction of such Transmission Provider's Transmission System upgrade(s) to accommodate such request; provided that Interconnection Customer commits to pay Transmission Provider any associated expediting costs. Interconnection Customer may be entitled to transmission credits if any, for any expediting costs paid, for projects connecting to a Joint Participation Project. Such transmission credits will only be paid by Joint Participant(s) obligated to pay such credits by a Governmental Authority.

Section 12 Miscellaneous.

12.1 Confidentiality.

Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by either of the Parties to the other in the course of activities under this GIP.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

If requested by either Party, the other Party shall provide in writing, the basis for asserting that the information referred to in this Section 12.1 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.

12.1.1 Scope.

Confidential Information shall not include information that the receiving Party can demonstrate: (i) is generally available to the public other than as a result of a disclosure by the receiving Party; (ii) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (iii) 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; (iv) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (v) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or Breach of this GIP; or (vi) is required, in accordance with Section 12.1.6, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this GIP. 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.

12.1.2 Release of Confidential Information.

Neither Party shall release or disclose Confidential Information to any other person, except to its employees, consultants, or to parties who may be or are considering providing financing to or equity participation with Interconnection Customer, or to potential purchasers or assignees of Interconnection Customer, on a need-to-know basis in connection with these procedures, unless such person has first been advised of the confidentiality provisions of this Section 12.1 and has agreed to comply with such provisions.

12.1.3 Rights.

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

12.1.4 No Warranties.

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

12.1.5 Standard of Care.

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

12.1.6 Order of Disclosure.

If (i) a court or a Governmental Authority or entity with the right, power, and apparent authority to do so requests or requires either Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information; or (ii) SRP receives a public records request to disclose Confidential Information, that Party shall provide the other Party with prompt notice of such request(s) or requirement(s) so that the other Party may seek an appropriate protective order or waive compliance with the terms of this GIP. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information after providing the other Party notice as required by this Section 12.1.6 and an opportunity to seek a protective order. Each Party will use Reasonable Efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

Interconnection Customer understands that, as a political subdivision of the State of Arizona, Transmission Provider may be subject to certain disclosure requirements under the Arizona public records law (A.R.S. § 39-101, et seq.). Provided that Transmission Provider complies with the procedural requirements of this Section 12.1.6, and notwithstanding any other provision of this Agreement, SRP may release Interconnection Customer's Confidential Information to a third party in response to a public records request submitted by such party.

12.1.7 Remedies.

The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's Breach of its obligations under this Section 12.1. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party Breaches or threatens to Breach its obligations under this Section 12.1, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the Breach of this Section 12.1, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Section 12.1.

12.1.8 Disclosure of Confidential Information.

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

12.1.9 Exemptions.

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

12.1.10 Destruction, Return and Retention of Confidential Information.

A Party shall, at the other Party's election, destroy, in a confidential manner, or return the Confidential Information provided at the time the Confidential Information is no longer needed. A Party shall destroy all such information in tangible form upon written request of the other Party provided, however, that the Party may retain copies of any Confidential Information (including Confidential Information stored on electronic, magnetic or similar media) in accordance with policies and procedures implemented in order to comply with legal and regulatory recordkeeping requirements. The Party will keep such retained copies confidential as provided herein and will use them solely for the purpose of recordkeeping compliance.

12.2 Delegation of Responsibility.

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

12.3 Obligation for Study Costs.

In the event an Interconnection Customer withdraws its Interconnection Request prior to the commencement of the Cluster Study Process, Interconnection Customer must pay Transmission Provider the actual costs of processing its Interconnection Request. Interconnection Customer will not be assessed a Withdrawal Penalty in this case. Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection Studies. The costs of Cluster studies and Cluster Re-Studies shall be allocated among each Interconnection Customer within the Cluster as follows: (i) ninety percent (90%) of the applicable study costs on a pro-rata basis based on requested megawatts included in the applicable Cluster; and (ii) ten percent (10%) of the applicable study costs on a per capita basis based on the number of Interconnection Requests included in the applicable Cluster.

Any difference between the Study Deposit and actual cost of the applicable Interconnection Study shall be paid by or refunded, except as otherwise provided herein, to Interconnection Customer(s) or offset against the cost of any future Interconnection Studies associated with the applicable Cluster prior to beginning any of such future Interconnection Studies. Upon Interconnection Customer's request, invoices for Interconnection Studies may include an itemized accounting of the cost of each Interconnection Study. Interconnection Customer(s) shall pay any such undisputed costs within fifteen (15) Calendar Days of receipt of an invoice. Any Interconnection Customer that fails to pay such undisputed costs within the time allotted shall be deemed to withdraw its Interconnection Request and will be subject to Withdrawal Penalties pursuant to Section 3.9.1 of this GIP. Transmission Provider shall not be obligated to perform or continue to perform any

studies unless Interconnection Customer has paid all undisputed amounts in compliance herewith.

In the event that funds collected by the Transmission Provider are insufficient to cover the costs of Re-Study(ies), in accordance with this Section 12.3, Transmission Provider shall invoice Interconnection Customer(s) for the estimated balance to complete the Re-Study(ies). Interconnection Customer shall submit payment no later than fifteen (15) Calendar Days after it receives the invoice from Transmission Provider.

12.4 Third Parties Conducting Studies.

If (i) Transmission Provider gives notice that Transmission Provider will not complete an Interconnection Study within the applicable timeframe for such Interconnection Study; or (ii) Interconnection Customer does not receive the Interconnection Study within the applicable timeframe for such Interconnection Study, then Interconnection Customer may require Transmission Provider to utilize a third party consultant reasonably acceptable to Interconnection Customer and Transmission Provider to perform such Interconnection Study under the direction of Transmission Provider. At other times, Transmission Provider may also utilize a third party consultant to perform such Interconnection Study, either in response to a general request of Interconnection Customer, or on its own volition.

In all cases, use of a third party consultant shall be in accord with the GIA. In cases where Interconnection Customer requests use of a third party consultant to perform such Interconnection Study, Interconnection Customer and Transmission Provider shall negotiate all of the pertinent terms and conditions, including reimbursement arrangements and the estimated study completion date and study review deadline. Transmission Provider shall provide all workpapers, data bases, study results and all other supporting documentation prepared to date with respect to the Interconnection Request as soon as practicable upon Interconnection Customer's request subject to the confidentiality provision in Section 12.1. In any case, such third party contract may be entered into with either Interconnection Customer or Transmission Provider at Transmission Provider's discretion. In the case of Section 12.4(ii) above, Interconnection Customer maintains its right to submit a claim to Dispute Resolution to recover the costs of such third party study. Such third party consultant shall be required to comply with this GIP, the GIA, and the relevant procedures and protocols as would apply if Transmission Provider were to conduct the Interconnection Study and shall use the information provided to it solely for purposes of performing such services and for no other purposes. Transmission Provider shall cooperate with such third party consultant and Interconnection Customer to complete and issue the Interconnection Study in the shortest reasonable time.

12.5 Disputes.

12.5.1 Submission.

In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with the GIP, the GIA, or their performance, such Party (the disputing Party) shall provide the other Party with a Notice of Dispute. Such dispute or claim

shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Party. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) Calendar Days of the other Party's receipt of the Notice of Dispute, such claim or dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. In the event the Parties do not agree to submit such claim or dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of this GIP.

12.5.2 External Arbitration Procedures.

Any arbitration initiated under these procedures shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree up on a single arbitrator within ten (10) Calendar Days of the submission of the dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) Calendar Days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (Arbitration Rules) and any applicable FERC regulations or RTO rules; provided, however, in the event of a conflict between the Arbitration Rules and the terms of this Section 12, the terms of this Section 12 shall prevail.

12.5.3 Arbitration Decisions.

Unless otherwise agreed by the Parties, the arbitrator(s) shall render a decision within ninety (90) Calendar Days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of the Tariff and any service agreement entered into under the Tariff and shall have no power to modify or change any provision any of the above in any manner. Judgment on the arbitrator's decision may be entered in any court having jurisdiction. The Parties shall agree upon a standard of review for the arbitrator's decision at the time the dispute is submitted to arbitration. The decision of the arbitrator must also be submitted to SRP's Board of Directors for a final decision if it affects rates, terms or conditions of service or facilities.

12.5.4 Costs.

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

12.5.5 Dispute Resolution.

If a Party has submitted a Notice of Dispute pursuant to Section 12.5.1, and the Parties are unable to resolve the claim or dispute through unassisted or assisted negotiations within the thirty (30) Calendar Days provided in that section, and the Parties cannot reach mutual agreement to pursue the Section 12.5 arbitration process, a Party may request that Transmission Provider engage in Non-binding Dispute Resolution pursuant to this Section 12.5.5 by providing written notice to Transmission Provider (Request for Non-binding Dispute Resolution). Conversely, either Party may file a Request for Non-binding Dispute Resolution pursuant to this Section 12.5.5 without first seeking mutual agreement to pursue the Section 12.5 arbitration process. The process in this Section 12.5.5 shall serve as an alternative to, and not a replacement of, the Section 12.5 arbitration process. Pursuant to this process, a Transmission Provider must within thirty (30) days of receipt of the Request for Non-binding Dispute Resolution appoint a neutral decision-maker that is an independent subcontractor that shall not have any current or past substantial business or financial relationships with either Party. Unless otherwise agreed by the Parties, the decision-maker shall render a decision within sixty (60) Calendar Days of appointment and shall notify the Parties in writing of such decision and reasons therefore. This decision-maker shall be authorized only to interpret and apply the provisions of the GIP and GIA and shall have no power to modify or change any provision of the GIP and GIA in any manner. The result reached in this process is not binding, but, unless otherwise agreed, the Parties may cite the record and decision in the non-binding Dispute Resolution process in future dispute resolution processes, including in a Section 12.5 arbitration. Each Party shall be responsible for its own costs incurred during the process and the cost of the decision-maker shall be divided equally among each Party to the dispute.

12.6 Local Furnishing Bonds and other Tax-Exempt Bonds.

12.6.1 Transmission Providers that Own Facilities Financed by Local Furnishing Bonds.

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

12.6.2 Transmission Providers that Own Facilities Financed by Other Tax-Exempt Bonds.

This provision is applicable only to a Transmission Provider that has financed facilities with tax-exempt bonds, as described in Section 103 of the Internal Revenue Code (other than local furnishing bonds) (tax-exempt bonds). Notwithstanding any other provisions of this GIP and the GIA, Transmission Provider shall not be required to provide Interconnection Service to Interconnection

Customer pursuant to this GIP and the GIA if the provision of such Interconnection Service would jeopardize the tax-exempt status of any tax-exempt bond(s) used to finance Transmission Provider's facilities that would be used in providing such Interconnection Service.

12.6.3 Alternative Procedures for Requesting Interconnection Service.

If Transmission Provider determines that the provision of Interconnection Service requested by Interconnection Customer would jeopardize the tax-exempt status of any local furnishing bond(s) or tax-exempt bonds used to finance its facilities that would be used in providing such Interconnection Service, it shall advise the Interconnection Customer within thirty (30) Calendar Days of receipt of the Interconnection Request.

**APPENDIX 1 TO GIP
INTERCONNECTION REQUEST FORM FOR A
GENERATING FACILITY**

INSTRUCTIONS: Interconnection Customer shall complete this Interconnection Request Form and applicable attachments. Pursuant to Section 3 of this GIP, submit all documentation to: SRPInterconnections@srpnet.com.

Note: This GIP Interconnection Request Form applies to all Interconnection Requests.

Queue Position will be determined based on the receipt date and time of when all required items are received.

After a project is queued, any change to what is submitted will have to be formally evaluated to determine if the requested change is material.

For the Interconnection Request to be deemed valid, the following items must be executed by the Interconnection Customer and submitted to SRP:

- Completed Interconnection Request Form
- Cluster System Impact Study Agreement
- Point of Interconnection Facilities Study Agreement
- Network Upgrade(s) Facilities Study Agreement
- Non-Disclosure Agreement

For the Interconnection Request to be deemed valid, the following items must be submitted to SRP:

- Evidence of Site Control – Submit completed Attachment A of the Site Control Business Practice (see Section 3.3.1(iv)) of the GIP and SRP’s Business Practice for Site Control for requirements
- Evidence of Commercial Readiness – see Section 3.3.1(vii) of the GIP for requirements
- Completed Attachment A and/or B to Appendix 1 as for each different type of generator
 - General Electric Company Power Systems Load Flow (PSLF) model data (.epc)
 - Dynamic model for each operating mode (.dyd)
 - Generator Short Circuit Data (ASPEN Short Circuit model data (.OLR))
- Documentation showing Interconnection Customer is authorized to transact business in Arizona

For the Interconnection Request to be deemed valid, the following items must be received by SRP via a cash payment:

- Application Fee in the amount of five thousand dollars (\$5,000)
- Study Deposit in the amount of seventy-five thousand dollars (\$75,000) plus one thousand dollars (\$1,000) per MW of requested Generating Facility Capacity, not to exceed two hundred fifty thousand dollars (\$250,000)

For the Interconnection Request to be deemed valid, the following items must be received via a cash payment or letter of credit:

- If applicable, a Security Deposit in the amount of one hundred thousand dollars (\$100,000)
- If applicable, a Deposit in Lieu of Site Control in the amount of five hundred thousand dollars (\$500,000)
- If applicable, a Deposit in Lieu of Commercial Readiness of seventy-five thousand dollars (\$75,000) per MW of requested Generating Facility Capacity not to exceed seven million five hundred thousand dollars (\$7,500,000). If a Deposit in Lieu of Commercial Readiness is submitted an additional Security Deposit need not be submitted pursuant to Section 3.3.1(vi) of the GIP.

ALL FUNDS TO BE SENT VIA ACH OR WIRE TRANSFER

Refer to SRP's Interconnection Request Deposit and Readiness Milestone Payments Business Practice for instructions.

1. This Interconnection Request is for (check one):

- A proposed new Generating Facility.
- A change in the Generating Facility Capacity or a Material Modification to an Existing Generating Facility.
- A Material Modification evaluation for a currently queued project:
Queue Position No.: _____
Description of all requested changes: _____
- Replacement of Existing Generating Facility with no increase in capacity:
Date of Cessation of Operation of Existing Generating Facility: _____
Expected Commercial Operation Date for Replacement Generator Facility: _____

2. Project and Contact Information:

- I. Project Name: _____

- II. Address or location of the new or Existing Generating Facility site:
 - a. Street Address or major crossroads: _____
 - b. City, State: _____
 - c. County: _____
 - d. Zip Code: _____
 - e. GPS Coordinates (decimal format):
Latitude: _____ Longitude: _____
 - f. Acreage of site: _____

- III. Approximate location of the proposed Point of Interconnection (POI) (i.e., specify substation name and voltage OR transmission line name, voltage level and approximate distance to nearest substation):

- IV. General Description and arrangement diagram of project, generation type, fuels, equipment configuration, transformer connections, and line impedances.

- V. **Aggregate Generating Facility Capacity:**
 - A. Generating Facility Gross max nameplate capacity (MW) _____
 - B. Generating Facility auxiliary load (MW) _____
 - C. Generating Facility Capacity (net capacity) (MW) _____
 - D. Generating Facility station service load (if any) (MW) _____
 - E. Requested Maximum Capacity (total MW max injection at POI) ^{Note 1} _____
 - a. Requested Maximum Capacity – summer _____ (MW)
 - b. Requested Maximum Capacity – winter _____ (MW)

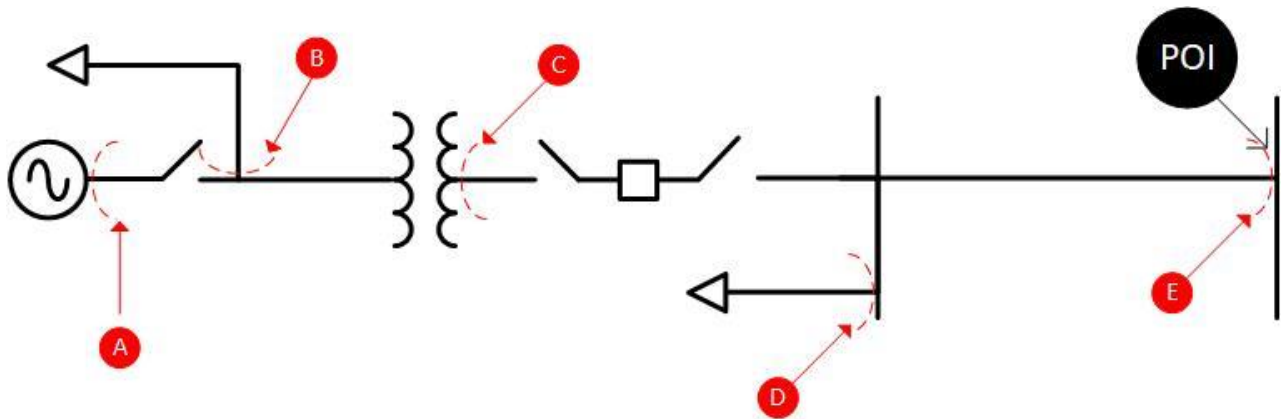


Figure 1 – Generalized Diagram of MW data needed

Note 1: The Requested Maximum Capacity (E) will be the MW value entered in the queue.

- F. If the Generating Facility Capacity is more than the Requested Maximum Capacity, describe the controls that will be in place to limit the output at the POI to the Requested Maximum Capacity:

- G. If there is storage capability for the Generating Facility, identify whether the charging will be from on-site generation or whether the charging will be from the grid and what the capacity and characteristics of any grid charging will be:

VI. **Type of generating unit(s) and aggregate Gross Max Nameplate Capacity for each type:**

- a. Rotating Synchronous Generator - Complete Attachment A to Appendix 1
Example Types: Cogeneration, Reciprocating Engine, Biomass, Steam Turbine, Gas Turbine, Hydro, Pumped-Storage Hydro, Combined-Cycle, Concentrated Solar, etc.
- b. Inverter Based - Complete Attachment B to Appendix 1
Example Types: Wind, Photovoltaic, Battery Storage etc.
- c. Other
 - a. Complete Attachment A or B to Appendix 1, as applicable
 - b. Other (please describe): _____

VII. **Requested Dates written as XX(day), month(word), 20XX(year), e.g. 10 April 2018) (these dates are needed for all phases of a project). If more than one phase, indicate the phase number and date for each item listed below:**

a. Requested In-Service Date: _____

b. Requested Initial Synchronization Date: _____

c. Commercial Operation Date: _____

Note: Repeat this information for all phases of the project.

VIII. **Name, address, telephone number, and e-mail address of the Interconnection Customer's primary contact person:**

a. Name: _____

b. Title: _____

c. Company Name: _____

d. Street Address: _____

e. City, State: _____

f. Zip Code: _____

g. Phone Number: _____

h. Fax Number: _____

i. Email Address: _____

3. This Interconnection Request is submitted by:

I. Company Name/DBA Name: _____

II. Name: _____

III. Title: _____

IV. Date: _____

V. Signature: _____

I understand that checking this box constitutes a legal signature confirming that I am the person indicated above and I am authorized to submit this Interconnection Request on behalf of the company indicated in this form. I also understand that by checking this box I am attesting to the

validity and accuracy of the information provided in this Interconnection Request Form and all applicable attachments.

I also understand that by checking this box, I acknowledge that I have read and agree to SRP's GIP and GIA, including the withdrawal penalty provisions therein. I also understand that requesting substantive revisions to the GIA may require additional review and approval, including review and acceptance by the SRP Board and the Joint Participants if an interconnection request proposes to interconnect to a Joint Participant Project.

**ATTACHMENT A TO APPENDIX 1
INTERCONNECTION REQUEST**

Rotating Synchronous Generating Facility Data

This Attachment A to Appendix 1 must be completed for each of the Rotating Synchronous Generator types.

1. Provide via Email the following (SRP will not accept this data on CD, DVD or USB):

Single-line diagram showing applicable equipment such as generating units, step-up transformers, auxiliary transformers, switches/disconnects of the proposed interconnection, including the required protection devices and circuit breakers.

2. Turbine/Generator Unit Information by type (Attach information for other types and variations within each type)

I. Generator type: _____

For example: Cogeneration, Reciprocating Engine, Biomass, Steam Turbine, Gas Turbine, Hydro, Pumped-Storage Hydro, Combined-Cycle, Concentrated Solar, etc.

- a. Number of Generating Units of this type: _____
- b. Gross Max Nameplate Capacity of each unit (MW): _____
- c. Generator auxiliary load for each unit (MW): _____
- d. Generator net capacity of each unit (A.-B.) (MW): _____
- e. Auxiliary load when Generator is off-line (MW): _____
- f. Auxiliary load of each unit when Generator is on-line (MW): _____
- g. Max auxiliary load during generator start-up for each unit (MW): _____
- h. Please attach seasonal or temperature generation profile for each unit
- i. Manufacturer: _____
- j. Year Manufactured: _____
- k. Nominal Terminal Voltage (kV): _____
- l. Phase (three phase or single phase): _____
- m. Connection (Delta, Grounded WYE, Ungrounded WYE, impedance grounded): _____

- n. Generator Voltage Regulation Range (+/- %): _____
- o. Generator Power Factor Regulation Range: _____
- p. For combined-cycle plants, specify the plant net output capacity (MW) for an outage of the steam turbine or an outage of a single combustion turbine: _____
- q. Other operating modes generators are capable of (condensing pumping, etc.): _____
- r. Rated Generator speed (rpm): _____
- s. Rated MVA: _____
- t. Rated Generator Power Factor: _____
- u. Generator Efficiency at Rated Load: _____ (%)
- v. Moment of Inertia (including prime mover), WR^2 (lb. ft.²): _____
- w. Inertia Time Constant (on machine base) H: _____ sec or MJ/MVA
- x. SCR (Short-Circuit Ratio - the ratio of the field current required for rated open-circuit voltage to the field current required for rated short-circuit current): _____
- y. Qmax at rated capacity: _____
- z. Qmin at rated capacity: _____
- aa. Please **attach** generator reactive capability curves.
- bb. Please **attach** a plot of generator terminal voltage versus field current that shows the air gap line, the open-circuit saturation curve, and the saturation curve at full load and rated power factor.

3. Excitation System Information

Attach the block diagram of the excitation system from its instruction manual. The diagram should show the input, output, and all feedback loops of the excitation system.

- I. Indicate the Manufacturer _____ and Type _____ of excitation system used for the generator. For exciter type, please choose from 1 to 8 below or describe in 9 the specific excitation system.
 - 1. Rotating DC commutator exciter with continuously acting regulator. The regulator power source is independent of the generator terminal voltage and current.

- 2. Rotating DC commutator exciter with continuously acting regulator. The regulator power source is bus-fed from the generator terminal voltage.
- 3. Rotating DC commutator exciter with non-continuously acting regulator (i.e., regulator adjustments are made in discrete increments).
- 4. Rotating AC alternator exciter with non-controlled (diode) rectifiers. The regulator power source is independent of the generator terminal voltage and current (not bus-fed).
- 5. Rotating AC alternator exciter with controlled (thyristor) rectifiers. The regulator power source is fed from the exciter output voltage.
- 6. Rotating AC alternator exciter with controlled (thyristor) rectifiers.
- 7. Static exciter with controlled (thyristor) rectifiers. The regulator power source is bus-fed from the generator terminal voltage.
- 8. Static exciter with controlled (thyristor) rectifiers. The regulator power source is bus-fed from a combination of generator terminal voltage and current (compound-source controlled rectifiers system).
- 9. Other (specify): _____

II. Excitation system response ratio (ASA): _____

III. Full load rated exciter output voltage: _____

IV. Maximum exciter output voltage (ceiling voltage): _____

V. Other comments regarding the excitation system: _____

4. Power System Stabilizer Information

Attach the block diagram of the power system stabilizer (PSS) from the PSS Instruction Manual and the correspondence between dial settings and the time constants or PSS gain.

Note: All new generators are required to install PSS unless an exemption has been obtained from WECC. Such an exemption can be obtained for units that do not have suitable excitation systems.

I. Manufacturer: _____

II. Is the PSS digital or analog? _____

III. Note the input signal source for the PSS:

a. Bus Frequency Shaft Speed Bus Voltage

b. Other (specify source): _____

IV. Other comments regarding the PSS? _____

5. Turbine-Governor Information

Complete 5.I for steam, gas or combined-cycle turbines, 5.II for hydro turbines, and 5.III for both.

I. Steam, gas or combined-cycle turbines:

- a. List type of unit (steam, gas, or combined-cycle): _____
- b. If steam or combined-cycle, does the turbine system have a reheat process (i.e., both high and low pressure turbines)? _____
- c. If steam with reheat process, or if combined-cycle, indicate in the space provided, the percent of full load power produced by each turbine:
 - i. Low pressure turbine or gas turbine: _____%
 - ii. High pressure turbine or steam turbine: _____%

II. Hydro turbines:

- a. Turbine efficiency at rated load: _____%
- b. Length of penstock: _____ft
- c. Average cross-sectional area of the penstock: _____ft
- d. Typical maximum head (vertical distance from the bottom of the penstock, at the gate, to the water level): _____ft
- e. Is the water supply run-of-the-river or reservoir: _____
- f. Water flow rate at the typical maximum head: _____ft/sec
- g. Average energy rate: _____kW-hrs/acre-ft
- h. Estimated yearly energy production: _____kW-hrs

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

- a. Turbine manufacturer: _____
- b. Maximum turbine power output: _____MW
- c. Minimum turbine power output (while on line): _____MW

- d. Governor information:
 - i. Droop setting (speed regulation): _____
 - ii. Is the governor mechanical-hydraulic or electro-hydraulic (Electro-hydraulic governors have an electronic speed sensor and transducer.)? _____
 - iii. Other comments regarding the turbine governor system? _____

6. Generator Short Circuit Data

- I. For each generator model, provide the following reactances expressed in p.u. on the generator base:
 - a. $X''1$ – positive sequence sub transient reactance: _____p.u.**
 - b. $X2$ – negative sequence reactance: _____p.u.**
 - c. $X0$ – zero sequence reactance: _____
- II. For each generator model, select the generator grounding (select 1 for each model):
 - a. Solidly grounded
 - b. Grounded through an impedance (Impedance value in p.u on generator base) R: _____p.u. X: _____p.u.)
 - c. Ungrounded

7. Step-Up Transformer Data

For each step-up transformer, **fill out the data form** provided in Table 1 in Attachment C.

8. Generator Tie Line Data

- I. Nominal Voltage: _____ kV
- II. Line Length: _____ miles
- III. Line Termination Points: _____
- IV. Conductor Type: _____ Size: _____
- V. If Bundled. Number per phase: _____, Bundle spacing: _____ in.
- VI. Phase Configuration. Vertical: _____, Horizontal: _____
- VII. Phase Spacing: A-B: _____ ft., B-C: _____ ft., C-A: _____ ft.

- ° VIII. Distance of lowest conductor to Ground at full load and 40 C: _____ft
- IX. Ground Wire Type: _____ Size: _____ Distance to Ground: _____ft
- X. Summer line ratings in amperes (normal and emergency): _____
- XI. Positive Sequence Resistance (R): _____p.u.** (for entire line length)
- XII. Positive Sequence Reactance: (X):_____p.u.** (for entire line length)
- XIII. Zero Sequence Resistance (R0): _____p.u.** (for entire line length)
- XIV. Zero Sequence Reactance: (X0): _____p.u.** (for entire line length)
- XV. Line Charging (B/2): _____p.u.**

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

9. Load Flow and Dynamic Models

Provide load flow model for the generating plant and its interconnection facilities in GE PSLF *.epc format, including new buses, generators, transformers, interconnection facilities. An equivalent model is required for the plant with generation collector systems. This data should reflect the technical data provided in this Attachment A.

Provide a short circuit model of the project in ASPEN format (*.OLR file) for inclusion in the short circuit modeling of the transmission system.

For each generator, governor, exciter and power system stabilizer, select the appropriate dynamic model from the General Electric PSLF Program Manual available in WECC's Approved Dynamic Model Library, and provide the required input data.

Provide dynamic model for each operating mode a generator can be operated, such as condensing or pumping mode. Please note, a completed *.dyd file and *.OLR file that contain the information specified in this section needs to be provided at the time of submission of this Interconnection Request Form.

SRP cannot assist in the creation or modification of .dyd .epc or .OLR files.

If you require assistance in developing the models, we suggest you contact General Electric. Accurate models are important to obtain accurate study results. Costs associated with any changes in facility requirements that are due to differences between model data provided by the generation developer and the actual generator test data, may be the responsibility of the generation developer. Failure to provide accurate models with the Interconnection Request Form may result in the withdrawal of the project.

**ATTACHMENT B TO APPENDIX 1
INTERCONNECTION REQUEST**

Inverter-Based Resource Data

This Attachment B to Appendix 1 must be completed for each of the Inverter-Based type.

1. Provide via Email the following (SRP will not accept this data on CD, DVD or USB):

Single-line diagram showing applicable equipment such as generating units, step-up transformers, auxiliary transformers, switches/disconnects of the proposed interconnection, including the required protection devices and circuit breakers. For wind and photovoltaic generator plants, the one-line diagram should include the distribution lines connecting the various groups of generating units, the generator capacitor banks, the step-up transformers, the distribution lines, and the substation transformers and capacitor banks at the Point of Interconnection with the SRP System.

2. Inverter-Based Resource information by type

7. **Attach** information for other types and variations within each type.

8. **Attach** a copy of the inverter reactive capability curves.

I. Generator type:

For example: Wind, Photovoltaic, Battery Storage etc. If wind turbine, specify the turbine type (1-4): _____ If battery storage, specify the technology type: _____

a. Number of aggregated Generating Units: _____

b. Gross Max Nameplate Capacity of each unit (MW): _____

c. Gross Max Nameplate charging load of each unit (MW): _____

d. Generator net capacity of each unit (A.-B.) (MW): _____

e. Auxiliary load when Generator is off-line (MW): _____

f. Auxiliary load when Generator is on-line (MW): _____

g. Charging Load if grid charging (MW): _____

h. Max auxiliary load during generator start-up for each unit (MW): _____

i. Please attach seasonal or temperature generation profile for each unit

j. Inverter Manufacturer: _____

k. Manufacturer Make: _____

l. Manufacturer Model Number: _____

- m. Year Manufactured: _____
- n. Nominal Terminal Voltage (kV): _____
- o. Phase (three phase or single phase): _____
- p. Connection (Delta, Grounded WYE, Ungrounded WYE, impedance grounded): _____
- q. Reactive Power Control Mode (Voltage, Power Factor, Constant Q): _____
- r. Generator Voltage Regulation Range (+/- %): _____
- s. Generator Power Factor Regulation Range: _____
- t. Rated MVA: _____
- u. Rated Generator Power Factor: _____
- v. Inverter Efficiency at Rated Load (%): _____
- w. SCR (Short-Circuit Ratio - the ratio of the field current required for rated open-circuit voltage to the field current required for rated short-circuit current): _____
- x. Qmax at rated capacity: _____
- y. Qmin at rated capacity: _____
- z. Please **attach** inverter reactive capability curves.

3. Induction Generator Data:

- I. Rated Generator Power Factor at rated load: _____
- II. Do you wish reclose blocking? Yes No

Note: Sufficient capacitance may be on the line now, or in the future, and the generator may self-excite unexpectedly.

4. Wind Generators

- I. Number of generators to be interconnected pursuant to this Interconnection Request: _____
- II. Rated: _____
- III. Field Volts: _____
- IV. Rated Field Amperes: _____

- V. Motoring Power (MW): _____
- VI. Neutral Grounding Resistor (if applicable): _____ I22t or K (Heating Time Constant): _____
- VII. Rotor Resistance: _____
- VIII. Stator Resistance: _____
- IX. Stator Reactance: _____
- X. Rotor Reactance: _____
- XI. Magnetizing Reactance: _____
- XII. Short Circuit Reactance: _____
- XIII. Exciting Current: _____
- XIV. Reactive Power Required in Vars (No Load): _____
- XV. Reactive Power Required in Vars (Full Load): _____
- XVI. Total Rotating Inertia, H: _____ Per Unit on 100 MVA Base

5. Generator Short Circuit Data

- I. For each generator model, provide the following reactances expressed in p.u. on the generator base:
 - a. X''_1 – positive sequence subtransient reactance: _____ p.u.**
 - b. X_2 – negative sequence reactance: _____ p.u.**
 - c. X_0 – zero sequence reactance: _____
 - d. Generator X/R ratio: _____
- II. For each generator model, select the generator grounding (select 1 for each model):
 - a. Solidly grounded
 - b. Grounded through an impedance (Impedance value in p.u on generator base) R: _____ p.u. X: _____ p.u.)
 - c. Ungrounded

6. Step-Up Transformer Data

For each step-up transformer, **fill out the data form** provided in Table 1 in Attachment C.

7. Generator Tie Line Data

- I. Nominal Voltage: _____ kV
- II. Line Length: _____ miles
- III. Line termination Points: _____
- IV. Conductor Type: _____ Size: _____
- V. If bundled. Number per phase: _____, Bundle spacing: _____ in.
- VI. Phase Configuration. Vertical: _____, Horizontal: _____
- VII. Phase Spacing: A-B: _____ ft., B-C: _____ ft., C-A: _____ ft.
- VIII. Distance of lowest conductor to Ground at full load and 40 C: _____ ft
- IX. Ground Wire Type: _____ Size: _____ Distance to Ground: _____ ft
- X. Summer line ratings in amperes (normal and emergency): _____
- XI. Positive Sequence Resistance (R): _____ p.u.** (for entire line length)
- XII. Positive Sequence Reactance: (X): _____ p.u.** (for entire line length)
- XIII. Zero Sequence Resistance (R0): _____ p.u.** (for entire line length)
- XIV. Zero Sequence Reactance: (X0): _____ p.u.** (for entire line length)
- XV. Line Charging (B/2): _____ p.u.**

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

8. For Wind/photovoltaic plants, collector System Equivalence Impedance Data
(Provide values for each equivalence collector circuit at all voltage levels.)

- I. Nominal Voltage: _____
- II. Summer line ratings in amperes (normal and emergency) _____
- III. Positive Sequence Resistance (R1): _____ p.u.** (for entire line length of each collector circuit)
- IV. Positive Sequence Reactance: (X1): _____ p.u.** (for entire line length of each collector circuit)

- V. Zero Sequence Resistance (R0): _____ p.u.** (for entire line length of each collector circuit)
 - VI. Zero Sequence Reactance: (X0): _____ p.u.** (for entire line length of each collector circuit)
 - VII. Line Charging (B/2): _____ p.u.** (for entire line length of each collector circuit)
- ** On 100-MVA and nominal line voltage (kV) Base

9. Additional Information for Inverter-Based Resource(s)

- I. Number of inverters to be interconnected pursuant to this Interconnection Request: _____
- II. **Provide** the protection settings for all equipment or software
- III. **Provide** EMT models as described in the Business Practice located on SRP's OASIS_ _____
- IV. Momentary cessation threshold: _____ p.u.** time delay (if in use)*: _____ sec
- V. Additional grid support feature/technologies (e.g. synthetic inertia, weak grid support, Plant Control): _____
- VI. **Provide** supporting information for all advance features
- VII. **Provide** a block diagram or description of the control system aggregator coordinating active and reactive power for systems with a Battery Energy Storage System. _____

*Note due to major outages caused by the use of momentary cessation settings on BES connected resources, the use of momentary cessation is not recommended.

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

10. Load Flow and Dynamic Models

Provide load flow model for the generating plant and its interconnection facilities in GE PSLF *.epc format, including all new buses, generators, transformers, interconnection transmission facilities. An equivalenced model is required for the plant with generation collector systems. This data should reflect the technical data provided in this Attachment B.

For new generating facilities, select the appropriate generator and control models identified in WECC's Approve Dynamic Model Library and provide the required input data. For additional guidance on providing adequate modeling, see the WECC's Data Preparation Manual.

Provide a short circuit model of the project in ASPEN format (*.OLR) for inclusion in the short circuit modeling of the transmission system.

Please note, completed *.dyd and *OLR files that contain the information specified in this section need to be provided at the time of submission of this Interconnection Request Form.

SRP cannot assist in the creation or modification of .dyd .epc or .OLR files.

If you require assistance in developing the models, we suggest you contact General Electric. Accurate models are important to obtain accurate study results. Costs associated with any changes in facility requirements that are due to differences between model data provided by the generation developer and the actual generator test data, may be the responsibility of the generation developer. Failure to provide accurate models with the Interconnection Request Form may result in the withdrawal of the project.

**ATTACHMENT C TO APPENDIX 1
INTERCONNECTION REQUEST**

TABLE 1

TRANSFORMER DATA
(Provide for each level of transformation)

UNIT _____

NUMBER OF TRANSFORMERS _____

PHASE _____

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

CURRENT TRANSFORMER RATIOS

H _____ X _____ Y _____ N _____

Percent exciting current at 100% Voltage _____ 110% Voltage _____

Provide a copy of nameplate and manufacture's test report within ninety (90) days of In-Service Date.

**ATTACHMENT D TO APPENDIX 1
INTERCONNECTION REQUEST**

Declaration of Site Control

I, _____, hereby declare and state as follows:

1. I am a(n) _____ [officer or an authorized employee, member or agent] of _____ (Interconnection Customer) for the Interconnection Request associated with _____ and am authorized to bind Interconnection Customer.
2. Interconnection Customer has: (1) submitted to Transmission Provider all of the Site Control documents in their entirety for _____ as required pursuant to SRP's Site Control requirements which are referenced in Transmission Provider's Business Practice manual; (2) that such documents satisfy the Site Control requirements; and (3) should the Interconnection Customer revise or supplement any of the documents submitted with the Interconnection Request, then the Interconnection Customer will provide Transmission Provider with the updated documents.
3. I have reviewed all such Site Control documents submitted for _____ and have personal knowledge of its contents.
4. Interconnection Customer has Site Control for _____ acres of land for its Generating Facility and _____ linear miles for its Gen-Tie line.
5. Interconnection Customer has the right to develop, construct, operate, and maintain the Generating Facility or the land right to develop, construct, operate and maintain the Generating Facility and the Interconnection Customer's Interconnection Facilities, and there are no superior rights or encumbrances to the land prohibiting the Interconnection Customer from developing, constructing, operating or maintaining the Generating Facility as proposed in the Interconnection Request.
6. Interconnection Customer possesses Site Control in accordance with Section 3 of the GIP.

I declare under penalty of perjury that the foregoing is true and correct.

By: _____

Name: _____

Title: _____

**APPENDIX 2 TO THE GIP
NON-DISCLOSURE AGREEMENT**

MUTUAL NONDISCLOSURE AGREEMENT

THIS MUTUAL NONDISCLOSURE AGREEMENT (this “Agreement”) between Salt River Project Agricultural Improvement and Power District, an agricultural improvement district organized and existing under the laws of the State of Arizona (“SRP”); and _____, a(n) _____ organized and existing under the laws of the State of _____ (“Company”).

RECITALS

For the purpose of furthering a potential business relationship between them with respect to Company’s Interconnection Request for [Insert Name of Project] (the “Purpose”), SRP and Company (collectively, the “Parties” and individually each a “Party”) have determined to establish terms governing the use and protection of certain information one Party (“Owner”) may disclose to the other Party (“Recipient”). In some cases, the information that may be shared may be designated by either or both Parties to be Critical Energy/Electric Infrastructure Information (“CEII”) or Bulk Electric System (“BES”) Cyber System Information (“BCSI”).

TERMS AND CONDITIONS

Accordingly, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. Definitions:

- a. “Confidential Information” means non-public information of an Owner, including Covered Information, in whatever form transmitted, that is marked “Confidential” by Owner and which relates to the Owner’s business or the above-identified Purpose, including business, technical, financial, personnel and planning information and data, or which, although not related to the Purpose, is nevertheless disclosed as a result of the Parties’ discussions in that regard, provided that such information: (i) if disclosed in writing or by email or other tangible electronic storage medium, is clearly marked “Confidential” or “Proprietary;” or (ii) if initially disclosed orally or visually, is substantially similar to the subject matter of information contained in material that is identified as confidential or is described as confidential at the time of disclosure and confirmed as such in writing within seven (7) days after the date of the oral disclosure. Regardless of whether marked or described as Confidential Information, however, any non-public information regarding the customers, employees or contractors of SRP or Company shall be deemed Confidential Information of the Owner.
- b. “Covered Information” means Confidential Information of an Owner that has been classified by the Owner as CEII or BCSI.
- c. “Derivative Information” means new information containing, or created using, any Confidential Information, as well as Confidential Information that has been stored, processed, or transmitted electronically. Derivative Information is

considered to be Covered Information if the information utilized to create such new information was classified as Covered Information.

2. Treatment and Protection of Confidential Information:

- a. Confidential Information - General: Recipient shall keep confidential all Confidential Information that has been or will be provided to it by Owner, including the fact that discussions regarding the Purpose are taking place. Recipient shall not, without the prior written consent of Owner, disclose any of the Confidential Information in whole or in part to any third party (except as otherwise provided in this Section 2). Recipient may use Confidential Information of Owner only for the Purpose and shall protect such Confidential Information from disclosure to others, using the same degree of care used to protect its own proprietary information of like importance, but in any case using no less than a reasonable degree of care. Recipient may disclose Confidential Information received hereunder to its directors, officers, employees and consultants, and its Affiliates' directors, officers, employees and consultants (collectively, "Representatives"), who, in all such cases, have a need to know for the Purpose, and who are bound to protect the received Confidential Information from unauthorized use and disclosure. Recipient will be responsible for any unauthorized use or disclosure of Confidential Information by its Representatives.
- b. Covered Information: The Owner will make every Reasonable Effort to mark all Covered Information in tangible form with the legend 'CEII', 'BCSI', 'Critical Energy Infrastructure Information,' 'BES Cyber System Information' or similar marking. If the Recipient believes that information received from Owner but not bearing such a legend is or may be Covered Information, or if there is any question whatsoever as to whether such information is Covered Information, Recipient shall contact Owner to seek guidance in that regard. Recipient shall maintain all Covered Information in a secure place that is not accessible to the employees and agents of Recipient who do not have a need to know its contents. Recipient is responsible for maintaining Exhibit A or Exhibit B, as applicable, to this Agreement, which provide a list of the Recipient's Representatives that Recipient has determined have a need to know Covered Information and to which Recipient has provided access to Covered Information. Recipient is responsible for confirming a Representative's eligibility, updating Exhibit A or Exhibit B, as applicable, and providing it to the Owner no less than annually. With respect to Covered Information, each Party also will assure that access by any third party to BCSI shall only be granted in accordance with North American Electric Reliability Corporation Critical Infrastructure Protection Standards, and access by any third party to CEII shall occur in accordance with applicable regulatory requirements.
- c. The restrictions of this Agreement on use and disclosure of Confidential Information shall not apply to information that: (i) is in the possession or control of Recipient at the time of its disclosure hereunder; (ii) is, or becomes publicly known, through no wrongful act of Recipient; (iii) is received by Recipient from a third party free to disclose it without obligation to Owner; (iv) is developed independently by Recipient; or (v) is lawfully required to be disclosed to any

governmental agency or is otherwise required to be disclosed by law; provided, however, that the Recipient shall notify Owner, as soon as reasonably practical, of any order or request to disclose Confidential Information, or that such an order is being sought, or request has been made, so that the Owner may have an opportunity to take appropriate action to maintain confidential handling of such information. Notwithstanding the foregoing, Covered Information does not become public simply because some part of it is public or because similar information is public.

3. Company understands that, as a political subdivision of the State of Arizona, SRP may be subject to certain disclosure requirements under the Arizona public records law (A.R.S. § 39-101, et seq.). Provided that SRP complies with the procedural requirements of Section 2 above, and notwithstanding any other provision of this Agreement, SRP may release Company's Confidential Information to a third party in response to a public records request submitted by such party.

4. Confidential Information disclosed under this Agreement (including information in computer software or held in electronic storage media) shall be and remain the property of Owner. All such information in tangible form shall be destroyed upon written request by Owner; provided, however, that Recipient may retain copies of any Confidential Information (including such stored on electronic, magnetic or similar media) in accordance with policies and procedures implemented in order to comply with legal and regulatory recordkeeping requirements. Recipient will protect such retained copies in accordance with this Agreement and, for Covered Information, any applicable regulatory requirements, and will use them solely for the purpose of recordkeeping compliance. No licenses or rights under any patent, copyright, or trademark are granted or are to be implied by this Agreement.

5. The Parties agree that, in the event of a Breach or threatened Breach of the terms of this Agreement, the Owner shall be entitled to an injunction prohibiting any such Breach. Any such relief shall be in addition to and not in lieu of any appropriate relief in the way of money damages. The Parties acknowledge that Confidential Information is unique and that disclosure in Breach of this Agreement will result in irreparable injury to the Owner.

6. Owner shall not have any liability or responsibility for errors or omissions in, or any business decision made by Recipient in reliance on, any Confidential Information disclosed under this Agreement.

7. In no event, whether based upon contract, indemnity, warranty, tort (including negligence), strict liability or otherwise will either Party be liable to the other party for indirect, incidental, consequential, special, punitive or exemplary damages arising out of any Breach of this Agreement (even if such Party has been advised of or could have reasonably foreseen the possibility of such damages).

8. This Agreement shall become effective as of the last date set forth beneath the Parties' signatures below and shall automatically expire one year thereafter; provided, however, that either Party may terminate this Agreement upon 30 days prior written notice to the other Party. Further, Owner may revoke the Recipient's access to Covered Information at any time, with or without advance notice.

9. The obligations contained herein with respect to Confidential Information shall survive and continue for a period of one year after expiration or termination of this Agreement.

However, with respect to Covered Information, the confidentiality obligations and covenants of this Agreement will survive until the Owner or a court of competent jurisdiction determines that the Covered Information is no longer CEII or BCSI, or else shall remain in effect as long as permitted by law.

10. The term “affiliate” means any person or entity controlling, controlled by, or under common control with a Party.

11. This Agreement may be executed in counterparts, including in facsimile and electronic formats (including portable document format (.pdf)) and with use of an electronic or digital signature, each of which will be deemed an original and all of which, when taken together, constitute one and the same instrument.

12. This Agreement: (i) is the complete agreement of the Parties concerning the subject matter hereof and supersedes any prior non-disclosure or similar agreements (whether oral or written) with respect to further disclosures of such subject matter; (ii) shall not be construed to create any obligation on the part of any Party to retain the services of or to compensate each other in any manner, except as may be set forth by a separate written agreement duly executed by the relevant Parties; (iii) may not be amended or in any manner modified except in writing signed by the Parties; and (iv) shall be governed and construed in accordance with the laws of the State of Arizona without regard to its choice of law provisions. Any action, suit or proceeding arising out of or relating to this Agreement shall be prosecuted in a court of competent jurisdiction in Maricopa County, Arizona, and the Parties irrevocably submit to the jurisdiction of any such court. Each Party hereby expressly waives any rights that it may have to a trial by jury with respect to any suit or proceeding brought by or against it or any of its Affiliates relating to this Agreement or the subject matter of this Agreement. If any provision of this Agreement is deemed by a court of competent jurisdiction to be unenforceable, the remainder shall be enforced as fully as possible and the unenforceable provision shall be deemed modified to the limited extent required to permit its enforcement in a manner most closely representing the intention of the Parties as expressed herein.

IN WITNESS WHEREOF, each of the Parties hereto has caused this Agreement to be executed as of the date set forth above by its duly authorized representative.

**Salt River Project Agricultural
Improvement and Power District**

By: _____

Its: _____

Date: _____

[Insert Company Name]

By: _____

Its: _____

Date: _____

EXHIBIT A

SRP's Representatives

Name: _____

Date: _____

Name: _____

Date: _____

Name: _____

Date: _____

Name: _____

Date: _____

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Date: _____

Name: _____

Date: _____

Name: _____

Date: _____

EXHIBIT B

[Insert Name of Company] Representatives

Name: _____

Date: _____

Name: _____

Date: _____

Name: _____

Date: _____

Name: _____

Date: _____

Name: _____

Date: _____

Name: _____

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Date: _____

**APPENDIX 3.1 TO GIP
CLUSTER SYSTEM IMPACT STUDY AGREEMENT**

CLUSTER SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this *Click or tap to enter a date.*, by and between *Name of Interconnection Customer* a(n) *Type of Organization* organized and existing under the laws of the State/Commonwealth of *Click or tap here to enter text.* (Interconnection Customer with a Generating Facility), and Salt River Project Agricultural Improvement and Power District, an agricultural improvement district organized and existing under the laws of the State of Arizona (Transmission Provider). Interconnection Customer and Transmission Provider each may be referred to as a "Party" or collectively as the "Parties."

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform a Cluster System Impact Study to assess the impact of interconnecting the Generating Facility to the Transmission System, and of any Affected Systems; and

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

- 1.0. When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's GIP.
- 2.0. Interconnection Customer elects and Transmission Provider shall cause to be performed a Cluster System Impact Study consistent with Section 6 of the GIP.
- 3.0. The scope of the Cluster System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0. The Cluster System Impact Study will be based upon the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 5.5 of the GIP. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Cluster System Impact Study. If any Interconnection Customer in the Cluster System Impact Study modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the Cluster System Impact Study may be extended.

- 5.0. The Cluster System Impact Study report shall provide the following information:
- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - identification of any thermal overload or voltage limit violations resulting from the interconnection;
 - identification of any instability or inadequately damped response to system disturbances resulting from the interconnection; and
 - description and non-binding, good faith estimated cost of the Network Upgrade(s) and Shared Network Upgrade(s) required to interconnect the Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.
- 6.0. Interconnection Customer will be responsible for all costs incurred by Transmission Provider associated with the Cluster System Impact Study.
- 7.0. Miscellaneous.
- 7.1 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.
- 7.2 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 Arizona, without regard to its conflicts of law principles.
- 7.3 Representations, Warranties, and Covenants. Each Party makes the following representations, warranties and covenants:
- 7.3.1 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; it is qualified to do business in the state or states in which the Generating Facility, Interconnection Facilities and Network Upgrade(s) owned by such Party, as applicable, are located; and it has the power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.
- 7.3.2 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).

- 7.3.3 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.
- 7.3.4 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 it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.
- 7.4 Conflicts. In the event of a conflict between the body of this Agreement and any appendices hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 7.5 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any 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; (3) reference to any Applicable Laws and Regulations or Applicable Reliability Standards means such Applicable Laws and Regulations or Applicable Reliability Standards 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; (4) 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 this Agreement or such Appendix to this Agreement, as the case may be; (5) “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; (6) “including” (and with correlative meaning “include”) means including without limiting the generality of any description preceding such term; and (7) 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”.
- 7.6 Construction. This Agreement shall be construed as though the Parties participated equally in the drafting of the Agreement. Consequently, the Parties acknowledge and agree that any rule of construction that a document is to be construed against the drafting Party shall not be applicable to this Agreement.
- 7.7 Entire Agreement. This Agreement, including all Appendices attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or

agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

- 7.8 No Third Party Beneficiaries. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 7.9 Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, or duty of this Agreement. Any waiver of this Agreement shall, if requested, be provided in writing.
- 7.10 Headings. The descriptive headings of the various Articles or Sections of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 7.11 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.
- 7.12 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.
- 7.13 Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.
- 7.14 Assignment. This Agreement may be assigned by either Party only with the written consent of the other; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider, for collateral security purposes to aid in providing financing for the Generating Facility, provided that Interconnection Customer will promptly notify Transmission Provider of any such assignment. Any financing arrangement entered into by Interconnection Customer pursuant to this Section will provide that prior to or upon the exercise of the secured party's trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify Transmission Provider of the

date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

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

7.15.1 Indemnified Party. If an Indemnified Party is entitled to indemnification under this Section 7.15 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under Section 7.15 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.

7.15.2 Indemnifying Party. If an Indemnifying Party is obligated to indemnify and hold any Indemnified Person harmless under this Section 7.15, 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.

7.15.3 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 Section 7.15.1 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. 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 reasonably withheld, conditioned or delayed.

8.0. Consequential Damages. In no event shall either 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.

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.

**Salt River Project Agricultural
Improvement and Power District**

**[Insert name of Interconnection
Customer]**

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

**ATTACHMENT A TO APPENDIX 3.1
CLUSTER SYSTEM IMPACT STUDY AGREEMENT**

ASSUMPTIONS USED IN CONDUCTING THE CLUSTER SYSTEM IMPACT STUDY

The Cluster System Impact Study will be based upon the following assumptions: _____

Designation of Point of Interconnection and configuration to be studied. _____

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

Transmission Provider's good faith estimate for the time of completion of the Cluster System Impact Study is _____.

Study of Interconnection Customer's preferred or requested Point of Interconnection or configuration or any alternatives thereto does not convey rights to any such specific Point(s) of Interconnection or configuration, Transmission Provider retains all rights to grant, through an executed Interconnection Agreement, interconnection to specific Point(s) of Interconnection and configurations based upon impacts to reliability of Transmission Provider's system.

[Above assumptions to be completed at the Scoping Meeting with Transmission Provider]

**APPENDIX 3.2 TO GIP
POINT OF INTERCONNECTION FACILITIES STUDY AGREEMENT**

POINT OF INTERCONNECTION FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this Click or tap to enter a date., by and between Name of Interconnection Customer a(n) Type of Organization organized and existing under the laws of the State/Commonwealth of Click or tap here to enter text. (Interconnection Customer with a Generating Facility), and Salt River Project Agricultural Improvement and Power District, an agricultural improvement district organized and existing under the laws of the State of Arizona (Transmission Provider). Interconnection Customer and Transmission Provider each may be referred to as a “Party” or collectively as the “Parties.”

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform a Point of Interconnection Facilities Study to determine the appropriate location for the Point of Interconnection within a switchyard or substation to interconnect the Generating Facility at the Point of Interconnection in accordance with Good Utility Practice.

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

- 1.0. When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider’s GIP.
- 2.0. Interconnection Customer elects and Transmission Provider shall cause a Point of Interconnection Facilities Study consistent with Section 8 of the GIP to be performed in accordance with the Tariff.
- 3.0. The scope of the Point of Interconnection Facilities Study shall be subject to the assumptions set forth in Attachment A and the data provided in Attachment B to this Agreement.
- 4.0. The Point of Interconnection Facilities Study report shall provide a description, estimated cost of (consistent with Attachment A to this Agreement), schedule for required facilities to interconnect the Generating Facility to the Transmission System.
- 5.0. Interconnection Customer shall be responsible for all costs incurred by Transmission Provider associated with the Point of Interconnection Facilities Study. Any difference between the Interconnection Customer’s deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate or applied to subsequent study costs, all as provided for in the GIP.

The time for completion of the Point of Interconnection Facilities Study is specified in Attachment A to this Agreement.

6.0. Miscellaneous.

6.1 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.

6.2 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 Arizona, without regard to its conflicts of law principles.

6.3 Representations, Warranties, and Covenants. Each Party makes the following representations, warranties and covenants:

6.3.1 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; it is qualified to do business in the state or states in which the Generating Facility, Interconnection Facilities and Network Upgrade(s) owned by such Party, as applicable, are located; and it has the power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

6.3.2 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).

6.3.3 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.

6.3.4 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 it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

- 6.4 Conflicts. In the event of a conflict between the body of this Agreement and any appendices hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 6.5 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any 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; (3) reference to any Applicable Laws and Regulations or Applicable Reliability Standards means such Applicable Laws and Regulations or Applicable Reliability Standards 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; (4) 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 this Agreement or such Appendix to this Agreement, as the case may be; (5) “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; (6) “including” (and with correlative meaning “include”) means including without limiting the generality of any description preceding such term; and (7) 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”.
- 6.6 Construction. This Agreement shall be construed as though the Parties participated equally in the drafting of the Agreement. Consequently, the Parties acknowledge and agree that any rule of construction that a document is to be construed against the drafting Party shall not be applicable to this Agreement.
- 6.7 Entire Agreement. This Agreement, including all Appendices attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party’s compliance with its obligations under this Agreement.
- 6.8 No Third Party Beneficiaries. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 6.9 Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply

with any other obligation, right, or duty of this Agreement. Any waiver of this Agreement shall, if requested, be provided in writing.

- 6.10 Headings. The descriptive headings of the various Articles or Sections of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 6.11 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.
- 6.12 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.
- 6.13 Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.
- 6.14 Assignment. This Agreement may be assigned by either Party only with the written consent of the other; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider, for collateral security purposes to aid in providing financing for the Generating Facility, provided that Interconnection Customer will promptly notify Transmission Provider of any such assignment. Any financing arrangement entered into by Interconnection Customer pursuant to this Section will provide that prior to or upon the exercise of the secured party's trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify Transmission Provider of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.
- 6.15 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party ("Indemnified Party") harmless from, any and all damages, losses, claims, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, for injury to or death of any person or damage to property, arising out of or resulting from the Indemnified Party's action or inactions of its obligations under this Agreement on behalf of the Indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the Indemnified Party.

- 6.15.1 Indemnified Party. If an Indemnified Party is entitled to indemnification under this Section 6.15 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under this Section 6.15 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.
- 6.15.2 Indemnifying Party. If an Indemnifying Party is obligated to indemnify and hold any Indemnified Person harmless under this Section 6.15, 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.
- 6.15.3 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 Section 6.15.1 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. 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 reasonably withheld, conditioned or delayed.

7.0. Consequential Damages. In no event shall either 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.

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.

**Salt River Project Agricultural
Improvement and Power District**

**[Insert name of Interconnection
Customer]**

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

**ATTACHMENT A TO APPENDIX 3.2
POINT OF INTERCONNECTION FACILITIES STUDY AGREEMENT**

**ASSUMPTIONS AND SCHEDULE USED IN CONDUCTING THE POINT OF
INTERCONNECTION FACILITIES STUDY**

The Point of Interconnection Facilities Study Agreement will be based on the following assumptions: _____

Designation of Point of Interconnection and configuration to be studied: _____

Designation of alternative Point(s) of Interconnection and configuration: _____

Study of Interconnection Customer's preferred or requested Point of Interconnection or configuration or any alternatives thereto does not convey rights to any such specific Point(s) of Interconnection or configuration, Transmission Provider retains all rights to grant, through an executed Interconnection Agreement, interconnection to specific Point(s) of Interconnection and configurations based upon impacts to reliability of Transmission Provider's system.

Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Point of Interconnection Facilities Study report to Interconnection Customer within one-hundred-five (105) Calendar Days after finalizing the Cluster System Impact Study report.

[Above assumptions to be completed at the Scoping Meeting with Transmission Provider]

**ATTACHMENT B TO APPENDIX 3.2
POINT OF INTERCONNECTION FACILITIES STUDY AGREEMENT**

**DATA FORM TO BE PROVIDED BY INTERCONNECTION CUSTOMER
WITH THE POINT OF INTERCONNECTION FACILITIES STUDY AGREEMENT**

- **Provide** location plan and simplified one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, transmission circuits, etc.
- One set of metering is required for each generation connection to the new ring bus or existing Transmission Provider station. Number of generation connections: _____
- On the one-line diagram indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)
- On the one-line diagram indicate the location of auxiliary power. (Minimum load on CT/PT)
Amps
- Will an alternate source of auxiliary power be available during CT/PT maintenance? Yes
 No
- Will a transfer bus on the generation side of the metering require that each meter set be designed for the total plant generation? Yes No (Please indicate on one line diagram).
- What type of control system or PLC will be located at Interconnection Customer's Generating Facility? _____
- What protocol does the control system or PLC use? _____
- Please **provide** a 7.5-minute quadrangle of the site. Sketch the plant, station, transmission line, and property line.
- Physical dimensions of the proposed interconnection station: _____
- Bus length from generation to interconnection station: _____
- Line length from interconnection station to Transmission Provider's transmission line: _____
- Tower number observed in the field (painted on tower leg)*: _____
- Number of third party easements required for transmission lines*: _____

*To be completed in coordination with Transmission Provider.

- Is the Generating Facility in the Transmission Provider's service area? Yes No

If no, who is the local provider: _____

Please provide proposed schedule dates:

Begin Construction

Date: _____

Requested In-Service Date:

Date: _____

Requested Initial Synchronization Date:

Date: _____

Commercial Operation Date:

Date: _____

**APPENDIX 3.3 TO GIP
NETWORK UPGRADE(S) FACILITIES STUDY AGREEMENT**

NETWORK UPGRADES FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this Click or tap to enter a date., by and between Name of Interconnection Customer a(n) Type of Organization organized and existing under the laws of the State/Commonwealth of Click or tap here to enter text. (Interconnection Customer with a Generating Facility), and Salt River Project Agricultural Improvement and Power District, an agricultural improvement district organized and existing under the laws of the State of Arizona (Transmission Provider). Interconnection Customer and Transmission Provider each may be referred to as a “Party” or collectively as the “Parties.”

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System; and

WHEREAS, Transmission Provider has completed a Cluster System Impact Study (the “Cluster System Impact Study”) and provided the results of said study to Interconnection Customer; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform a Network Upgrade(s) Facilities Study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Cluster System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility to the Transmission System.

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

- 1.0. When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider’s GIP.
- 2.0. Interconnection Customer elects and Transmission Provider shall cause a Network Upgrade(s) Facilities Study consistent with Section 8 of the GIP to be performed in accordance with the Tariff.
- 3.0. The scope of the Network Upgrade(s) Facilities Study shall be subject to the assumptions set forth in Attachment A to this Agreement and the data provided in Attachment B to this Agreement.
- 4.0. The Network Upgrade(s) Facilities Study report: (i) shall provide a description, estimated cost of (consistent with Attachment A), schedule for required facilities to interconnect the Generating Facility to the Transmission System; and (ii) shall address the short circuit, instability, and power flow issues identified in the Cluster System Impact Study.

- 5.0. Interconnection Customer shall be responsible for all costs incurred by Transmission Provider associated with the Network Upgrade(s) Facilities Study. Any difference between the Interconnection Customer's deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate or applied to subsequent study costs, all as provided for in the GIP.

The time for completion of the Network Upgrade(s) Facilities Study is specified in Attachment A to this Agreement.

6.0. Miscellaneous.

6.1 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.

6.2 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 Arizona, without regard to its conflicts of law principles.

6.3 Representations, Warranties, and Covenants. Each Party makes the following representations, warranties and covenants:

6.3.1 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; it is qualified to do business in the state or states in which the Generating Facility, Interconnection Facilities and Network Upgrade(s) owned by such Party, as applicable, are located; and it has the power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

6.3.2 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).

6.3.3 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.

6.3.4 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 it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

- 6.4 Conflicts. In the event of a conflict between the body of this Agreement and any appendices hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 6.5 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any 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; (3) reference to any Applicable Laws and Regulations or Applicable Reliability Standards means such Applicable Laws and Regulations or Applicable Reliability Standards 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; (4) 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 this Agreement or such Appendix to this Agreement, as the case may be; (5) “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; (6) “including” (and with correlative meaning “include”) means including without limiting the generality of any description preceding such term; and (7) 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”.
- 6.6 Construction. This Agreement shall be construed as though the Parties participated equally in the drafting of the Agreement. Consequently, the Parties acknowledge and agree that any rule of construction that a document is to be construed against the drafting Party shall not be applicable to this Agreement.
- 6.7 Entire Agreement. This Agreement, including all Appendices attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.
- 6.8 No Third Party Beneficiaries. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

- 6.9 Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, or duty of this Agreement. Any waiver of this Agreement shall, if requested, be provided in writing.
- 6.10 Headings. The descriptive headings of the various Articles or Sections of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 6.11 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.
- 6.12 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.
- 6.13 Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.
- 6.14 Assignment. This Agreement may be assigned by either Party only with the written consent of the other; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider, for collateral security purposes to aid in providing financing for the Generating Facility, provided that Interconnection Customer will promptly notify Transmission Provider of any such assignment. Any financing arrangement entered into by Interconnection Customer pursuant to this Section will provide that prior to or upon the exercise of the secured party's trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify Transmission Provider of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.
- 6.15 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party ("Indemnified Party") harmless from, any and all damages, losses, claims, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, for injury to or death of any person or damage to property, arising out of or resulting from the Indemnified Party's action

or inactions of its obligations under this Agreement on behalf of the Indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the Indemnified Party.

6.15.1 Indemnified Party. If an Indemnified Party is entitled to indemnification under this Section 6.15 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under this Section 6.15 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.

6.15.2 Indemnifying Party. If an Indemnifying Party is obligated to indemnify and hold any Indemnified Person harmless under this Section 6.15, 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.

6.15.3 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 Section 6.15.1 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. 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 reasonably withheld, conditioned or delayed.

7.0. Consequential Damages. In no event shall either 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.

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.

**Salt River Project Agricultural
Improvement and Power District**

[Insert name of Interconnection Customer]

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

**ATTACHMENT A TO APPENDIX 3.3
NETWORK UPGRADE(S) FACILITIES STUDY AGREEMENT**

**INTERCONNECTION CUSTOMER ASSUMPTIONS AND SCHEDULE FOR CONDUCTING
THE NETWORK UPGRADES FACILITIES STUDY**

The Network Upgrade(s) Facilities Study Agreement will be based on the following assumptions:

Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Interconnection Facilities Study report to Interconnection Customer within one-hundred-five (105) Calendar Days after finalizing the Cluster System Impact Study report.

[Above assumptions to be completed at the Scoping Meeting with Transmission Provider]

**APPENDIX 3.4 TO GIP
TRANSITIONAL SYSTEM IMPACT STUDY AGREEMENT**

TRANSITIONAL SYSTEM IMPACT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this Click or tap to enter a date., by and between Name of Interconnection Customer a(n) Type of Organization organized and existing under the laws of the State/Commonwealth of Click or tap here to enter text. (Interconnection Customer with a Generating Facility), and Salt River Project Agricultural Improvement and Power District, an agricultural improvement district organized and existing under the laws of the State of Arizona (Transmission Provider). Interconnection Customer and Transmission Provider each may be referred to as a "Party" or collectively as the "Parties."

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System;

WHEREAS, Interconnection Customer has requested Transmission Provider to perform a Transitional System Impact Study to assess the impact of interconnecting the Generating Facility to the Transmission System, and of any Affected Systems;

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

- 1.0. When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's GIP.
- 2.0. Interconnection Customer elects and Transmission Provider shall cause to be performed a Transitional System Impact Study consistent with Section 6 of the GIP.
- 3.0. The scope of the Transitional System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.
- 4.0. The Transitional System Impact Study will be based upon the technical information provided by Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 5.5 of the GIP. Transmission Provider reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Transitional System Impact Study. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the Interconnection Request may be withdrawn.

- 5.0. A Transitional System Impact Study report may be provided only to Interconnection Customers with projects that were found to require mitigations or do not have a completed Interconnection System Impact Study. If required, the report shall provide the following information:
- identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - identification of any thermal overload or voltage limit violations resulting from the interconnection;
 - identification of any instability or inadequately damped response to system disturbances resulting from the interconnection and
 - description and non-binding, good faith estimated cost of facilities required to interconnect the Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.
- 6.0. Interconnection Customer will be responsible for all costs incurred by Transmission Provider associated with the Transitional System Impact Study.
- 7.0. Transmission Provider's good faith estimate for the time of completion of the Transitional System Impact Study is one-hundred-forty-five (145) Calendar Days from execution of this agreement.
- 8.0. Miscellaneous.
- 8.1. 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.
- 8.2. 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 Arizona, without regard to its conflicts of law principles.
- 8.3. Representations, Warranties, and Covenants. Each Party makes the following representations, warranties and covenants:
- 8.3.1. 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; it is qualified to do business in the state or states in which the Generating Facility, Interconnection Facilities and Network Upgrade(s) owned by such Party, as applicable, are located; and it has the power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.
- 8.3.2. 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).

- 8.3.3. 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.
- 8.3.4. 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 it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.
- 8.4. Conflicts. In the event of a conflict between the body of this Agreement and any appendices hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 8.5. Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any 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; (3) reference to any Applicable Laws and Regulations or Applicable Reliability Standards means such Applicable Laws and Regulations or Applicable Reliability Standards 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; (4) 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 this Agreement or such Appendix to this Agreement, as the case may be; (5) "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; (6) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (7) 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".
- 8.6. Construction. This Agreement shall be construed as though the Parties participated equally in the drafting of the Agreement. Consequently, the Parties acknowledge and agree that any rule of construction that a document is to be construed against the drafting Party shall not be applicable to this Agreement.

- 8.7. Entire Agreement. This Agreement, including all Appendices attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.
- 8.8. No Third Party Beneficiaries. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 8.9. Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, or duty of this Agreement. Any waiver of this Agreement shall, if requested, be provided in writing.
- 8.10. Headings. The descriptive headings of the various Articles or Sections of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 8.11. 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.
- 8.12. No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.
- 8.13. Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.
- 8.14. Assignment. This Agreement may be assigned by either Party only with the written consent of the other; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider, for collateral security purposes to aid in providing financing for the Generating Facility, provided that Interconnection Customer will promptly notify Transmission Provider of any such assignment. Any financing arrangement entered into by Interconnection Customer pursuant to this Section will provide that prior to or upon the exercise of the secured party's

trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify Transmission Provider of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

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

8.15.1. Indemnified Party. If an Indemnified Party is entitled to indemnification under this Section 8.15 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under this Section 8.15 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.

8.15.2. Indemnifying Party. If an Indemnifying Party is obligated to indemnify and hold any Indemnified Person harmless under this Section 8.15, 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.

8.15.3. 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 Section 8.15.1 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. 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 reasonably withheld, conditioned or delayed.

9.0. Consequential Damages. In no event shall either 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.

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

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

[Insert name of Interconnection Customer]

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

**ATTACHMENT A TO APPENDIX 3.4
TRANSITIONAL SYSTEM IMPACT STUDY AGREEMENT**

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

The Transitional System Impact Study will be based upon the following assumptions:

Designation of Point of Interconnection and configuration to be studied: _____

Other assumptions: _____

Configuration or any alternatives thereto does not convey rights to any such specific Point(s) of Interconnection or configuration, Transmission Provider retains all rights to grant, through an executed Interconnection Agreement, interconnection to specific Point(s) of Interconnection and configurations based upon impacts to reliability of Transmission Provider's system.

**APPENDIX 3.5 TO GIP
TRANSITIONAL FACILITIES STUDY AGREEMENT**

TRANSITIONAL FACILITIES STUDY AGREEMENT

THIS AGREEMENT is made and entered into this [Click or tap to enter a date.](#), by and between [Name of Interconnection Customer](#) a(n) [Type of Organization](#) organized and existing under the laws of the State/Commonwealth of [Click or tap here to enter text.](#) (Interconnection Customer with a Generating Facility), and Salt River Project Agricultural Improvement and Power District, an agricultural improvement district organized and existing under the laws of the State of Arizona (Transmission Provider). Interconnection Customer and Transmission Provider each may be referred to as a “Party” or collectively as the “Parties.”

RECITALS

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

WHEREAS, Interconnection Customer desires to interconnect the Generating Facility with the Transmission System;

WHEREAS, Transmission Provider has completed a System Impact Study, or a Transitional System Impact Study (the “Transitional System Impact Study”) and provided the results of said study to Interconnection Customer; and

WHEREAS, Interconnection Customer has requested Transmission Provider to perform a Transitional Facilities Study to specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the System Impact Study, or Transitional System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Generating Facility to the Transmission System.

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

- 1.0. When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's GIP.
- 2.0. Interconnection Customer elects and Transmission Provider shall cause a Transitional Facilities Study consistent with Section 6 of the GIP to be performed in accordance with the Tariff.
- 3.0. The scope of the Transitional Facilities Study shall be subject to the assumptions set forth in Attachment A and the data provided in Attachment B to this Agreement.
- 4.0. The Transitional Facilities Study report shall provide a description, estimated cost of (consistent with Attachment A to this Agreement), schedule for: (i) required facilities to interconnect the Generating Facility to the Transmission System; and (ii) required Network Upgrade(s) identified in the Interconnection System Impact Study or Transitional System Impact Study.

- 5.0. Interconnection Customer shall be responsible for all costs incurred by Transmission Provider associated with the Transitional Facilities Study. Any difference between the Interconnection Customer's deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate or applied to subsequent study costs, all as provided for in the GIP.

The time for completion of the Transitional Facilities Study is specified in Attachment A to this Agreement.

6.0. Miscellaneous.

6.1. 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.

6.2. 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 Arizona, without regard to its conflicts of law principles.

6.3. Representations, Warranties, and Covenants. Each Party makes the following representations, warranties and covenants:

6.3.1. 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; it is qualified to do business in the state or states in which the Generating Facility, Interconnection Facilities and Network Upgrade(s) owned by such Party, as applicable, are located; and it has the power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

6.3.2. 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).

6.3.3. 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.

6.3.4. 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 it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

- 6.4. Conflicts. In the event of a conflict between the body of this Agreement and any appendices hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 6.5. Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any 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; (3) reference to any Applicable Laws and Regulations or Applicable Reliability Standards means such Applicable Laws and Regulations or Applicable Reliability Standards 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; (4) 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 this Agreement or such Appendix to this Agreement, as the case may be; (5) “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; (6) “including” (and with correlative meaning “include”) means including without limiting the generality of any description preceding such term; and (7) 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”.
- 6.6. Construction. This Agreement shall be construed as though the Parties participated equally in the drafting of the Agreement. Consequently, the Parties acknowledge and agree that any rule of construction that a document is to be construed against the drafting Party shall not be applicable to this Agreement.
- 6.7. Entire Agreement. This Agreement, including all Appendices attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.
- 6.8. No Third Party Beneficiaries. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

- 6.9. Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, or duty of this Agreement. Any waiver of this Agreement shall, if requested, be provided in writing.
- 6.10. Headings. The descriptive headings of the various Articles or Sections of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 6.11. 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.
- 6.12. No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.
- 6.13. Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.
- 6.14. Assignment. This Agreement may be assigned by either Party only with the written consent of the other; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider, for collateral security purposes to aid in providing financing for the Generating Facility, provided that Interconnection Customer will promptly notify Transmission Provider of any such assignment. Any financing arrangement entered into by Interconnection Customer pursuant to this Section will provide that prior to or upon the exercise of the secured party's trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify Transmission Provider of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.
- 6.15. Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party ("Indemnified Party") harmless from, any and all damages, losses, claims, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, for injury to or death of any person or damage to property, arising out of or resulting from the Indemnified Party's action

or inactions of its obligations under this Agreement on behalf of the Indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the Indemnified Party.

6.15.1. Indemnified Party. If an Indemnified Party is entitled to indemnification under this Section 6.15 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under this Section 6.15 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.

6.15.2. Indemnifying Party. If an Indemnifying Party is obligated to indemnify and hold any Indemnified Person harmless under this Section 6.15, 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.

6.15.3. 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 Section 6.15.1 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. 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 reasonably withheld, conditioned or delayed.

7.0. Consequential Damages. In no event shall either 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.

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

**[Insert name of Transmission Provider] | [Insert name of Interconnection Customer]
Transmission Owner, if applicable]**

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

**ATTACHMENT A TO APPENDIX 3.5
TRANSITIONAL INTERCONNECTION FACILITIES
STUDY AGREEMENT**

**INTERCONNECTION CUSTOMER SCHEDULE ELECTION FOR CONDUCTING THE
TRANSITIONAL INTERCONNECTION FACILITIES STUDY**

Transmission Provider shall use Reasonable Efforts to complete the study and issue a draft Transitional Interconnection Facilities Study report to Interconnection Customer within one-hundred-eighty (180) Calendar Days after of receipt of an executed copy of this Transitional Interconnection Facilities Study Agreement.

**ATTACHMENT B TO APPENDIX 3.5
TRANSITIONAL INTERCONNECTION
FACILITIES STUDY AGREEMENT**

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

- Provide location plan and simplified one-line diagram of the plant and station facilities. For staged projects, please indicate future generation, transmission circuits, etc.
- One set of metering is required for each generation connection to the new ring bus or existing Transmission Provider station. Number of generation connections:
- On the one-line diagram indicate the generation capacity attached at each metering location. (Maximum load on CT/PT)
- On the one-line diagram indicate the location of auxiliary power. (Minimum load on CT/PT) Amps
- Will an alternate source of auxiliary power be available during CT/PT maintenance? Yes No
- Will a transfer bus on the generation side of the metering require that each meter set be designed for the total plant generation? Yes No (Please indicate on one line diagram).
- What type of control system or PLC will be located at Interconnection Customer's Generating Facility? _____
- What protocol does the control system or PLC use? _____
- Please provide a 7.5-minute quadrangle of the site. Sketch the plant, station, transmission line, and property line.
- Physical dimensions of the proposed interconnection station: _____
- Bus length from generation to interconnection station: _____
- Line length from interconnection station to Transmission Provider's transmission line. _____
- Tower number observed in the field. (Painted on tower leg)* _____
- Number of third party easements required for transmission lines*: _____

*To be completed in coordination with Transmission Provider.

- Is the Generating Facility in the Transmission Provider's service area?
- Yes No

If no, who is the local provider: _____

- Please provide proposed schedule dates:

Begin Construction Date: _____

Requested In-Service Date: Date: _____

Requested Initial Synchronization Date: Date: _____

Commercial Operation Date: Date: _____

**APPENDIX 3.6 TO GIP
GENERATOR REPLACEMENT STUDY AGREEMENT**

GENERATOR REPLACEMENT STUDY AGREEMENT

THIS AGREEMENT is made and entered into this Click or tap to enter a date., by and between Name of Interconnection Customer a(n) Type of Organization organized and existing under the laws of the State/Commonwealth of Click or tap here to enter text. (Interconnection Customer with a Generating Facility), and Salt River Project Agricultural Improvement and Power District, an agricultural improvement district organized and existing under the laws of the State of Arizona (Transmission Provider). Interconnection Customer and Transmission Provider each may be referred to as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, Interconnection Customer is evaluating replacing an Existing Generating Facility with a Replacement Generating Facility; and

WHEREAS, Interconnection Customer is proposing to evaluate Generation Replacement in accordance with Section 3.11 of the GIP; and

WHEREAS, Interconnection Customer has submitted to Transmission Provider all information required under Section 3.11 of the GIP, including an updated Appendix 1 for the Replacement Generating Facility.

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

1. When used in this Agreement, with initial capitalization, the terms specified shall have the meanings indicated in Transmission Provider's GIP.
2. Interconnection Customer elects and Transmission Provider shall cause a Reliability Assessment Study and a Replacement Impact Study to be performed consistent with Section 3.11 of the GIP and in accordance with the Tariff.
3. Interconnection Customer shall provide a deposit of seventy-five thousand dollars (\$75,000) for the performance of the Replacement Impact Study and Reliability Assessment Study. Transmission Provider's good faith estimate for the time of completion of the Replacement Impact Study and Reliability Assessment Study is _____.
4. Upon receipt of the final study results, Transmission Provider shall charge, and Interconnection Customer shall pay the actual costs of the Interconnection Study.
5. Any difference between the initial deposit and the actual cost of the study shall be paid by or refunded to Interconnection Customer, as appropriate.
6. Miscellaneous.

- 6.1. 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.
- 6.2. 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 Arizona, without regard to its conflicts of law principles.
- 6.3. Representations, Warranties, and Covenants. Each Party makes the following representations, warranties and covenants:
- 6.3.1. 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; it is qualified to do business in the state or states in which the Generating Facility, Interconnection Facilities and Network Upgrade(s) owned by such Party, as applicable, are located; and it has the power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.
- 6.3.2. 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).
- 6.3.3. 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.
- 6.3.4. 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 it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.
- 6.4. Conflicts. In the event of a conflict between the body of this Agreement and any appendices hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.

- 6.5. Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) the singular number includes the plural number and vice versa; (2) reference to any 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; (3) reference to any Applicable Laws and Regulations or Applicable Reliability Standards means such Applicable Laws and Regulations or Applicable Reliability Standards 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; (4) 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 this Agreement or such Appendix to this Agreement, as the case may be; (5) “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; (6) “including” (and with correlative meaning “include”) means including without limiting the generality of any description preceding such term; and (7) 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”.
- 6.6. Construction. This Agreement shall be construed as though the Parties participated equally in the drafting of the Agreement. Consequently, the Parties acknowledge and agree that any rule of construction that a document is to be construed against the drafting Party shall not be applicable to this Agreement.
- 6.7. Entire Agreement. This Agreement, including all Appendices attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.
- 6.8. No Third Party Beneficiaries. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 6.9. Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, or duty of this Agreement. Any waiver of this Agreement shall, if requested, be provided in writing.

- 6.10. Headings. The descriptive headings of the various Articles or Sections of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 6.11. 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.
- 6.12. No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.
- 6.13. Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.
- 6.14. Assignment. This Agreement may be assigned by either Party only with the written consent of the other; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider, for collateral security purposes to aid in providing financing for the Generating Facility, provided that Interconnection Customer will promptly notify Transmission Provider of any such assignment. Any financing arrangement entered into by Interconnection Customer pursuant to this Section will provide that prior to or upon the exercise of the secured party's trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify Transmission Provider of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.
- 6.15. Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party ("Indemnified Party") harmless from, any and all damages, losses, claims, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, for injury to or death of any person or damage to property, arising out of or resulting from the Indemnified Party's action or inactions of its obligations under this Agreement on behalf of the Indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the Indemnified Party.
- 6.15.1. Indemnified Party. If an Indemnified Party is entitled to indemnification under this Section 6.15 as a result of a claim by a third party, and the Indemnifying Party fails, after notice and reasonable opportunity to proceed under this Section 6.15 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.

6.15.2. Indemnifying Party. If an Indemnifying Party is obligated to indemnify and hold any Indemnified Person harmless under this Section 6.15, 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.

6.15.3. 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 Section 6.15.1 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. 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 reasonably withheld, conditioned or delayed.

7.0. Consequential Damages.

In no event shall either 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.

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

[Insert name of Generator Replacement Coordinator]

[Insert name of Interconnection Customer]

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX 4 TO THE GIP GENERATOR REPLACEMENT COORDINATOR

1. OVERVIEW

1.1. Purposes and Objectives

This Appendix sets forth a framework whereby objective and verifiable assurance is provided to Interconnection Customers that Transmission Provider's Generation Replacement process under Section 3.11 of the GIP is administered in a non-discriminatory manner consistent with reliability and Good Utility Practice. To achieve these objectives, the Transmission Provider will contract with a third party that meets the independence requirements described in this Appendix. This party referred to herein as the Generator Replacement Coordinator (GRC), will implement the provisions of this Appendix by performing the function set forth herein.

1.2. Applicability

The Transmission Provider, the GRC, and any Interconnection Customer that submits a Generation Replacement request shall be subject to the terms, conditions, and obligations of this Appendix.

1.3. Definitions

The capitalized terms used herein shall have the meaning ascribed to them in Section 1 of the GIP. Capitalized terms not included in Section 1 of the GIP shall be defined as follows:

Generator Replacement Coordinator (GRC) shall mean the party that meets the independence criteria of Section 2 and contracts with Transmission Provider to implement the provisions of this Appendix.

Replacement Interconnection Studies collectively refers to the Replacement Impact Study, Reliability Assessment Study and Generator Replacement Facilities Study.

2. GENERATOR REPLACEMENT COORDINATOR

2.1. Retention of the Generator Replacement Coordinator

The Transmission Provider shall contract with an independent qualified party to be known as the GRC. The GRC shall have experience and expertise appropriate to process and conduct Replacement Interconnection Studies. The Transmission Provider and the GRC shall negotiate the terms and conditions upon which the GRC will contract with the Transmission Provider. Nothing in this Appendix shall be interpreted or construed as creating a partnership, joint venture, or fiduciary or agency relationship between the Transmission Provider and the GRC.

2.2. Independence of the GRC

- 2.2.1. To maintain independence, the GRC will satisfy and maintain compliance with the following criteria: (i) the GRC will not be an Interconnection Customer; (ii) the GRC, its employees and its board of directors will be prohibited from having a direct financial interest in any Interconnection Customer, the Transmission Provider, or their Affiliates; (iii) the GRC will not own any transmission, generation or distribution facilities in the region consisting of the Transmission Provider's Balancing Authority Area and first tier Balancing Authority Areas or any of the Transmission Provider's Affiliates; and (iv) the GRC's decision making process will be independent of control by an Interconnection Customer, the Transmission Provider or their Affiliates. The GRC shall exercise independent decision-making in performing all activities associated with its responsibilities under this Appendix. The GRC shall maintain its offices separate from the offices of the Transmission Provider and its Affiliates. No employees of the GRC shall share office space with any employee or an Interconnection Customer, the Transmission Provider, or their Affiliates.
- 2.2.2. To further ensure the independence of the GRC and meet the objectives established to this Appendix, the GRC will have the authority to collect and analyze data relevant to its responsibilities.

2.3. Standards of Conduct and Conflicts of Interest

- 2.3.1. All employees of the GRC performing functions under this Appendix shall be treated, for purposes of SRP's Standards of Conduct as the equivalent of transmission function employees of the Transmission Provider.
- 2.3.2. The GRC shall adopt a policy on conflicts of interest establishing appropriate standards for the professional and financial independence of the GRC from Transmission Provider and its Affiliates, consistent with SRP's Standards of Conduct policies and regulations. In addition, the GRC shall adopt ethics policies and standards for its employees and subcontractors working on the Transmission Provider's Generator Replacement process. The GRC, including each employee performing functions under this Appendix, shall comply at all times with the conflicts of interest and ethics policies. The GRC shall certify such compliance to the SRP Board and the Transmission Provider prior to issuing its first Replacement Interconnection Study and upon request by SRP's Board.

3. GENERATION REPLACEMENT FUNCTIONS

3.1. The GRC's Administration of the Generation Replacement Process

The GRC shall administer the Generation Replacement process included in the GIP, Section 3.10.

3.2. The GRC's Specific Generation Replacement Responsibilities

The GRC will process and evaluate all Generation Replacement requests on a nondiscriminatory basis consistent with the GIP, Section 3.10. In processing and evaluating Generation Replacement requests, the GRC's responsibilities include the following:

1. Collecting from the Interconnection Customer and the Transmission Provider all information necessary for the processing and evaluation of a Generation Replacement request.
2. Determining that all preconditions necessary for a valid Generation Replacement request have been met.
3. Determining whether some or all of the service subject to a Generation Replacement request must be processed as a new request for Interconnection Service.
4. Maintaining a queue for Generation Replacement requests.
5. Performing the necessary Replacement Interconnection Studies.
6. Providing to the Transmission Provider for the Transmission Provider to post on its OASIS in a timely fashion (and without modification by the Transmission Provider) for each Generation Replacement, information regarding the expected Commercial Operation Date of the Replacement Generating Facility.
7. Providing all notices related to the processing and evaluation of a Generation Replacement request to the Interconnection Customer.
8. Independently reviewing and validating data, information, and analyses provided by Transmission Provider to GRC in connection with Generator Replacement process.
9. Responding to inquiries from an Interconnection Customer in connection with its Generator Replacement request.
10. Providing a copy of each final study report, along with the underlying study, to the Transmission Provider.

3.3. The Transmission Provider's Duties and Responsibilities

Other than the functions pursuant to the GIP, Section 3.10 performed by the GRC, as described in Section 3.2 above, Transmission Provider will continue to administer, and perform all Transmission Provider functions pursuant to its Tariff. In addition, Transmission Provider shall perform the following functions referenced in GIP, Section 3.10:

1. Providing the data, information, and analyses (as well as updates, changes, or additions to such data, information, and analyses) required by the GRC to perform Replacement Interconnection Studies and to process Generation Replacement requests, (Required Information).

2. Posting to OASIS (as provided by the GRC and without modification by the Transmission Provider) for each Generation Replacement, information regarding the expected Commercial Operation Date of the Replacement Generating Facility.
3. Whenever the GRC determines that some or all of a Generation Replacement request must be processed as a new request for Interconnection Service pursuant to the GIP provisions applicable to a new request for Interconnection Service.

4. COORDINATION BETWEEN TRANSMISSION PROVIDER AND THE GRC

4.1. General

- 4.1.1. Transmission Provider and the GRC will coordinate as necessary for the GRC to perform its functions.
- 4.1.2. Whenever Transmission Provider provides Required Information to the GRC, the Transmission Provider shall supply such Required Information using Good Utility Practice and its knowledge of the Transmission System to provide the Required Information in a manner consistent with its obligation to respond to Generation Replacement requests on a nondiscriminatory basis. Upon receiving Required Information, the GRC shall use its independent judgment to review the information and determine whether the information satisfies applicable Tariff requirements and is otherwise consistent with the requirement to respond to Generation Replacement requests on a nondiscriminatory basis.
- 4.1.3. The GRC shall use its independent judgment to determine whether additional, updated, or modified Required Information is required by the GRC to perform Replacement Interconnection Studies and to process Generation Replacement requests.

4.2. Dispute Resolution

- 4.2.1. If (i) the GRC believes that the Required Information provided by the Transmission Provider is insufficient; and (ii) the Transmission Provider disagrees, then GRC and the Transmission Provider shall meet and confer in an effort to resolve the matter. Both parties shall have an obligation to use Reasonable Efforts to resolve the dispute expeditiously.
- 4.2.2. If the dispute cannot be resolved informally, then the GRC shall seek to resolve the matter expeditiously by meeting with the affected Interconnection Customer and the Transmission Provider. Following this meeting, if the matter cannot be resolved informally, then any of the Interconnection Customer, Transmission Provider, or the GRC may resolve the dispute according to the GIP, Section 12.5.

5. ELECTRIC RELIABILITY ORGANIZATION COMPLIANCE

The GRC will perform its functions under this Appendix 3 in accordance with the NERC TPL-001 Reliability Standard (or subsequent standards), the Transmission Provider's Long-Range Planning Criteria, and the Transmission Provider's Generator Interconnection Guidelines. These

documents specify the criteria used by the Transmission Provider to assess the reliability of all proposed interconnection requests to ensure compliance with required NERC Reliability Standards and the Transmission Provider's Tariff. The Transmission Provider will provide these documents to the GRC and update them as necessary.

6. DATA COLLECTION AND DISCLOSURE

6.1. Access to Transmission Provider's Data and Information

- 6.1.1. To the extent the GRC requests access to Required Information from the Transmission Provider that was originally provided to the Transmission Provider by a third-party, then that Required Information shall be treated as Confidential Information, unless the information already is available from a public source or is otherwise subject to disclosure pursuant to any tariff or agreement administered by the Transmission Provider.
- 6.1.2. To the extent Transmission Provider considers Required Information requested by the GRC to be subject to a legal privilege, the Transmission Provider may notify the GRC of the applicable legal privilege and may withhold the data or other information from the GRC.
- 6.1.3. In the event that a dispute arises over access to data or information, either the Transmission Provider or GRC may refer the matter according to the GIP's dispute resolution process.

6.2. Access to Data and Information of Interconnection Customers

6.2.1. Data Requests

If the GRC determines that additional data or other information is required to accomplish the objectives of this Appendix, the GRC may request such information from Interconnection Customer. Any such request shall be accompanied by an explanation of the need for such data or other information, and, to the extent the data qualifies as Confidential Information, an acknowledgement of the obligation of the GRC to maintain the confidentiality of the data. All information provided to the GRC by Interconnection Customer, that has been labeled as confidential by an Interconnection Customer, shall be treated as Confidential Information, unless already available from a public source or otherwise subject to disclosure under any tariff or agreement administered by the Transmission Provider.

6.2.2. Enforcement of Data Requests

Any Interconnection Customer receiving an information request from the GRC shall furnish all information, in the requested form or format that is reasonably necessary to achieve the purposes of objectives of this Appendix, whenever the requested information is not readily available from some other source that is more convenient, less burdensome and less expensive, and not subject to a legal privilege. No party that is the subject of a data request shall be required to produce any summaries, analyses,

or reports of the data that do not exist at the time of the data request. In the event that a dispute arises over access to data or information, either the Interconnection Customer or the GRC may initiate Dispute Resolution referenced in Section 12.5 of the GIP.

6.3. Confidentiality

The GRC shall use all reasonable procedures necessary to protect and to preserve the confidentiality of Confidential Information obtained pursuant to this Appendix. Except as may be required by subpoena or other compulsory process, the GRC shall not disclose Confidential Information to any person or entity without prior written consent of the party supplying the Confidential Information. To the extent the GRC requires access to Confidential Information obtained by Transmission Provider from third parties, the GRC shall not disclose the Confidential Information to any person or entity without prior written consent of the party supplying the Confidential Information to the Transmission Provider, except as may be required by subpoena or other compulsory process. Upon receipt of a subpoena or other compulsory process for the disclosure of Confidential Information, the GRC shall promptly notify the party that provided the data and shall provide all reasonable assistance requested by the party to prevent disclosure and shall not release the data until the party provides written consent or until the party's legal avenues are exhausted.

6.4. Collection and Retention of Information

The GRC shall regularly collect and maintain information necessary for implementing this Appendix. The GRC shall ensure that data and information necessary to carry out its duties is retained in usable form and shall be turned over to any successor GRC consistent with Section 6.3 above. The GRC shall adopt policies and procedures for the retention of information provided by Interconnection Customer. At the end of the applicable retention period, the GRC shall provide the data and information to Transmission Provider. Transmission Provider shall retain that information consistent with the applicable NERC document retention requirements.

7. BUDGETING AND FUNDING

The GRC and Transmission Provider shall reach agreement on budgeting and funding the GRC's functions under this Appendix to ensure, among other things, that the GRC has sufficient funding to discharge its responsibilities and obligations as GRC and that the terms of payment of the GRC by Transmission Provider do not result in appropriate incentives to favor Transmission Provider or any Interconnection Customer over the interests of another.

8. RIGHTS AND REMEDIES

With the exception of the limitation of liability provisions agreed to by the GRC and Transmission Provider, nothing herein shall prevent Transmission Provider or any other person or entity or any other applicable law, statute, or regulation, including the filing of a petition with or otherwise initiating a proceeding before FERC regarding any matter that is the subject of this Appendix.