

30.9 Engineering & Procurement (“E&P”) Agreement

Prior to executing a Standard Large Generator Interconnection Agreement, a Developer may, in order to advance the implementation of its interconnection, request and Connecting Transmission Owner shall offer the Developer, an E&P Agreement that authorizes the Connecting Transmission Owner to begin engineering and procurement of long lead-time items necessary for the establishment of the interconnection. However, the Connecting Transmission Owner shall not be obligated to offer an E&P Agreement if the Developer is in Dispute Resolution as a result of an allegation that the Developer has failed to meet any milestones or comply with any prerequisites specified in other parts of these Large Facility Interconnection Procedures. The E&P Agreement is an optional procedure and it will not alter the Developer’s Queue Position or In-Service Date. The E&P Agreement shall provide for the Developer to pay the cost of all activities authorized by the Developer and to make advance payments or provide other satisfactory security for such costs. The Developer shall, in accordance with Attachment S to the ISO OATT, pay the cost of such authorized activities and any cancellation costs for equipment that is already ordered for its interconnection, which cannot be mitigated as hereafter described, whether or not such items or equipment later become unnecessary. If the Developer withdraws its application for interconnection or either Party terminates the E&P Agreement, to the extent the equipment ordered can be canceled under reasonable terms, the Developer shall be obligated to pay the associated cancellation costs. To the extent that the equipment cannot be reasonably canceled, Connecting Transmission Owner may elect: (i) to take title to the equipment, in which event Connecting Transmission Owner shall refund the Developer any amounts paid by the Developer for such equipment and shall pay the cost of delivery of such equipment, or (ii) to transfer title to and deliver such equipment to Developer, in which event the

Developer shall pay any unpaid balance and cost of delivery of such equipment.

30.11 Standard Large Generator Interconnection Agreement (LGIA)

30.11.1 Tender

As soon as practicable upon completion of the Developer decision process and satisfaction of Security posting requirements described in Section 25.8 of Attachment S, acceptance by the Developer of its Attachment S cost allocation, the ISO shall tender to the Developer and Connecting Transmission Owner a draft LGIA together with draft appendices completed to the extent practicable. The draft LGIA shall be in the form of the ISO's Commission-approved LGIA, which is in Appendix 4 to this Attachment X. Within six (6) months after the date the ISO tenders the draft LGIA, the Developer must have satisfied the applicable regulatory milestone described in Section 25.6.2.3.1 of Attachment S. If the Developer has not done so, the ISO will withdraw the Interconnection Request pursuant to Sections 25.6.2.3 of Attachment S to the OATT and pursuant to Section 30.3.6 of this Attachment X.

30.11.2 Negotiation

Notwithstanding Section 30.11.1, at the request of the Developer the ISO and Connecting Transmission Owner shall begin negotiations with the Developer concerning the LGIA and its appendices at any time after the Developer executes the Class Year Interconnection Facilities Study Agreement. The ISO, Connecting Transmission Owner and the Developer shall finalize the appendices and negotiate concerning any disputed provisions of the draft LGIA and its appendices subject to the six (6) month time limitation specified below in this Section 30.11.2. If the Developer determines that negotiations are at an impasse, it may request termination of the negotiations at any time after tender of the draft LGIA pursuant to Section 30.11.1 and request submission of the unexecuted LGIA to FERC or initiate Dispute Resolution procedures pursuant

to Section 30.13.5. If the Developer requests termination of the negotiations, but within sixty (60) Calendar Days thereafter fails to request either the filing of the unexecuted LGIA or initiate Dispute Resolution, it shall be deemed to have withdrawn its Interconnection Request. Unless otherwise agreed by the Parties, if the Developer has not executed the LGIA, requested filing of an unexecuted LGIA, or initiated Dispute Resolution procedures pursuant to Section 30.13.5 within six (6) months of tender of draft LGIA, it shall be deemed to have withdrawn its Interconnection Request.

30.11.3 Execution and Filing

Within fifteen (15) Business Days after receipt of the executed LGIA, the Developer shall provide the ISO and Connecting Transmission Owner (A) reasonable evidence of continued Site Control or (B) posting of \$250,000, non-refundable additional security with the Connecting Transmission Owner, which shall be applied toward future construction costs. At the same time, the Developer also shall provide the ISO and Connecting Transmission Owner reasonable evidence that one or more of the following milestones in the development of the Large Generating Facility, at the Developer election, has been achieved: (i) the execution of a contract for the supply or transportation of fuel to the Large Generating Facility; (ii) the execution of a contract for the supply of cooling water to the Large Generating Facility; (iii) execution of a contract for the engineering for, procurement of major equipment for, or construction of, the Large Generating Facility; (iv) execution of a contract for the sale of electric energy or capacity from the Large Generating Facility; or (v) application for an air, water, or land use permit.

The Developer shall either: (i) execute three (3) originals of the tendered LGIA and return them to the ISO and Connecting Transmission Owner; or (ii) request in writing that the ISO and Connecting Transmission Owner file with FERC an LGIA in unexecuted form. As soon

as practicable, but not later than ten (10) Business Days after receiving either the two executed originals of the tendered LGIA (if it does not conform with a Commission-approved standard form of interconnection agreement) or the request to file an unexecuted LGIA, the ISO and Connecting Transmission Owner shall file the LGIA with FERC. The ISO will draft the portions of the LGIA and appendices that are in dispute and assume the burden of justifying any departure from the pro forma LGIA and appendices. The ISO will provide its explanation of any matters as to which the Parties disagree and support for the costs that the Connecting Transmission Owner proposes to charge to the Developer under the LGIA. An unexecuted LGIA should contain terms and conditions deemed appropriate by the ISO for the Interconnection Request. The Connecting Transmission Owner will provide in the filing any comments it has on the unexecuted agreement, including any alternative positions, it may have with respect to the disputed provisions. If the Parties agree to proceed with design, procurement, and construction of facilities and upgrades under the agreed-upon terms of the unexecuted LGIA, they may proceed pending Commission action.

30.11.4 Interconnection Agreement Pre-Dating Completion of the Large Facility's Class Year Study

At the request of the Developer, the ISO and Connecting Transmission Owner shall begin negotiations with the Developer concerning the LGIA and its appendices at any time after the Developer executes the Class Year Interconnection Facilities Study Agreement; however, certain analysis required by the Facilities Study must be completed before the LGIA can be completed – specifically, identification of all required Connecting Transmission Owner Attachment Facilities and Local System Upgrade Facilities. If the LGIA is executed prior to the completion of the Class Year Study, the Developer must agree, in the LGIA, that in the Class Year decision process, it will accept the Project Cost Allocation and post Security for any System Upgrade

Facilities that are identified and cost allocated in the Class Year Study even if such Project Cost Allocations exceed the estimates included in the LGIA and include equipment not identified in the LGIA.

The Developer executing an LGIA prior to the completion of a Class Year Study cannot participate as an Installed Capacity Supplier until after the Class Year Study is completed and (1) the project is deemed deliverable and accepts its deliverable megawatts; or (2) the Developer accepts its Project Cost Allocation and posts Security for any required System Deliverability Upgrades.

To the extent that upgrades or cost estimates in the Class Year Study differ from the amounts or descriptions in the LGIA, the Developer shall work with the ISO and Connecting Transmission Owner to promptly amend the LGIA as needed.

For purposes of this Section 30.11.4, an LGIA includes a provisional LGIA and its appendices requested pursuant to Section 30.12.3 of this Attachment X.

30.11.5 Commencement of Interconnection Activities

If the Developer executes the final LGIA, the ISO, Connecting Transmission Owner and the Developer shall perform their respective obligations in accordance with the terms of the LGIA, subject to modification by FERC. Upon submission of an unexecuted LGIA in accordance with Section 30.11.3, the Parties shall promptly comply with the unexecuted LGIA, subject to modification by FERC.

30.11.6 Termination of the Standard Large Generator Interconnection Agreement

The classification of a Large Generating Facility as Retired will be grounds for the termination of its Standard Large Facility Interconnection Agreement (LGIA). The ISO will file with the Federal Energy Regulatory Commission a notice of termination of the LGIA as soon as

practicable after the Large Generating Facility is Retired. The termination of a non-conforming *pro forma* LGIA will be effective only upon acceptance by the Federal Energy Regulatory Commission of the notice of termination and proposed effective date. Upon the effective date of the termination of the LGIA access to the Point of Interconnection of the Large Generating Facility will be available on a non-discriminatory basis pursuant to the ISO's applicable interconnection and transmission expansion processes and procedures.

30.12 Construction of Connecting Transmission Owner's Attachment Facilities and System Facilities

30.12.1 Schedule

The Connecting Transmission Owner and the Developer shall negotiate in good faith concerning a schedule for the construction of the Connecting Transmission Owner's Attachment Facilities and the System Upgrade Facilities and the System Deliverability Upgrades. If the System Upgrade Facilities or System Deliverability Upgrades involve Affected Transmission Owners, the Developer must execute and fulfill agreement(s) with the ISO and the Connecting Transmission Owner and any Affected Transmission Owner to cover the engineering, procurement and construction of such upgrades.

30.12.2 Construction Sequencing

30.12.2.1 General

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

30.12.2.2 Advance Construction of System Upgrade Facilities and System Deliverability Upgrades that are an Obligation of an Entity other than the Developer

A Developer with a Standard Large Generator Interconnection Agreement, in order to maintain its In-Service Date, may request that the Connecting Transmission Owner advance to the extent necessary the completion of System Upgrade Facilities, and System Deliverability Upgrades that: (i) were assumed in the Interconnection Studies for such Developer, (ii) are necessary to support such In-Service Date, and (iii) would otherwise not be completed, pursuant to a contractual obligation of an entity other than the Developer that is seeking interconnection to

the New York State Transmission System, in time to support such In-Service Date. Upon such request, Connecting Transmission Owner will use Reasonable Efforts to advance the construction of such System Upgrade Facilities and System Deliverability Upgrades to accommodate such request; provided that the Developer commits in writing to pay Connecting Transmission Owner any associated expediting costs.

30.12.2.3 Advancing Construction of System Upgrade Facilities or System Deliverability Upgrades that are Part of an Expansion Plan of the ISO or Connecting Transmission Owner

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

30.12.2.4 Amended Interconnection System Reliability Impact Study

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

30.12.3 Provisional Interconnection Service

Subject to the requirements of Section 30.11.4 of this Attachment X, prior to the completion of the Large Facility Interconnection Procedures and prior to completion of requisite Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, System Distribution Upgrades, or System Protection Facilities, the Developer may request an evaluation for Provisional Interconnection Service. The ISO, in conjunction with the Connecting Transmission Owner(s), shall determine, through available studies or additional studies as necessary, whether stability, short circuit, thermal, and/or voltage issues would arise if the Developer interconnects without modifications to the Large Facility or the New York State Transmission System (or Distribution System as applicable). The ISO, in conjunction with the Connecting Transmission Owner, shall determine whether any Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, System Deliverability Upgrades, or System Protection Facilities, which are necessary to meet Applicable Laws and Regulations, Applicable Reliability Standards, and Good Utility Practice, are in place prior to the commencement of interconnection service from the Large Facility. Where available studies indicate that the Attachment Facilities, Distribution Upgrades, System Upgrade Facilities, System Deliverability Upgrades, or System Protection Facilities are required for the interconnection of a new, modified and/or expanded Large Facility but such facilities are not currently in place, the ISO, in conjunction with the Connecting Transmission Owner, will perform a study, at the Developer's expense, to confirm the facilities that are required for Provisional Interconnection Service. The maximum permissible output of the Large Facility in the Provisional Large Facility Interconnection Agreement shall be studied, at the Developer's expense, and updated annually. The NYISO shall issue the study's findings in writing to the Developer and Connecting Transmission Owner(s). Following a determination by the ISO, in conjunction with the Connecting Transmission Owner, that the Developer may

reliably provide Provisional Interconnection Service, the ISO shall tender to the Developer and Connecting Transmission Owner, a Provisional Large Facility Interconnection Agreement. The ISO, Developer, and Connecting Transmission Owner may execute the Provisional Large Facility Interconnection Agreement, or the Developer may request the filing of an unexecuted Provisional Large Facility Interconnection Agreement with the Commission. The Developer shall assume all risk and liabilities with respect to changes between the Provisional Large Facility Interconnection Agreement and the Large Generator Interconnection Agreement, including changes in output limits and the cost responsibilities for the Attachment Facilities, System Upgrade Facilities, System Deliverability Upgrades, and/or System Protection Facilities.